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# The National Life Insurance Company of New York

LIFE INSURANCE EDITION

FRIDAY, DECEMBER 9, 1932



A Fine OLD Company  
for  
Ambitious YOUNG Men

B18

Established 1868



NATIONAL LIFE INSURANCE COMPANY  
of the UNITED STATES OF AMERICA

ROBERT D. LAY  
President

WALTER E. WEBB  
Executive Vice-President

29 South LaSalle Street, Chicago

**THE EQUITABLE**

FAIR — JUST

**LIFE ASSURANCE**

SECURITY — PEACE OF MIND

**SOCIETY**

MUTUAL — COOPERATIVE

**OF THE U.S.**

NATION-WIDE SERVICE



A NAME that does more  
than identify—  
*It explains*

**THE EQUITABLE**

Founded on the principle of equality, it has ever been the aim and the practice of The Equitable to transact its business with policyholders and their beneficiaries justly and fairly, and with a view always to serving the best interests of its members. It is an institution Equitable in practice as well as in name.

**LIFE ASSURANCE**

Life assurance is a service far broader in scope than mere provision against the economic loss occasioned by death. It means security and peace of mind. Equitable policies are primarily for the living. Either the insured (or his dependents) will sooner or later benefit financially from any Equitable contracts which he maintains. Largely, Equitable life insurance is provided not because of the possibility that someone will die, but because of the assurance that someone will live.

**SOCIETY**

The Equitable is a purely mutual company. It is a great cooperative institution, altruistic in purpose, beneficent in its objectives, and conducted solely in the interests of its policyholders and their beneficiaries. Equitable policyholders are the sole owners of the resources of the Society.

**OF THE U.S.**

The Equitable is a national not a local institution. It has branch offices in the principal cities, and representatives in practically every section. Likewise, its investments are broadly distributed and are limited to the most conservative types. Every state (including your own) from which premium income is derived shares in the advantages of the Equitable's carefully diversified investment program.

**THE EQUITABLE**

LIFE ASSURANCE SOCIETY OF THE UNITED STATES

*Thomas I. Parkinson, President*

*393 Seventh Ave., New York, N. Y.*



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ANNIVERSARY

ÆTNA LIFE INSURANCE COMPANY  
HARTFORD CONNECTICUT

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in

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to submit

The Greatest Number of Applications in a Single Day

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"Inspiration" Day Record, December 12th, 1930  
245 Lives for \$1,902,300

"I Dare You" Day Record, December 11th, 1931  
365 Lives for \$1,875,000

"No Goat-Feathers" Day Record, December 2nd, 1932  
412 Lives for \$1,259,555

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We believe in dedicating *one* day in each year to demonstrate that

**MEN WITH THOROUGHbred HEARTS  
CAN CONTROL CIRCUMSTANCES**

*Inspiration is the Mother of Victory; Execution is the Offspring of Plan.*

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# The National Underwriter

## LIFE INSURANCE EDITION

Thirty-Sixth Year No. 50

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, DECEMBER 9, 1932

\$3.00 Per Year, 15 Cents a Copy

## Life Presidents Sessions Under Way

### Fulton Stresses Public Relations

Insurance Should Promote Public Understanding of Its Collective Function

### HOME LIFE HEAD SPEAKS

Business Is Damaged by the Lack of Appreciation of Its Larger Services

NEW YORK, Dec. 8.—The collective function of life insurance is little understood by the public and the business should mobilize every resource at its control to bring to the people a conception of the operation of insurance in the large sense, according to James A. Fulton, president Home Life of New York, who addressed the Life Presidents Association today.

Mr. Fulton enumerated some of the ways in which this lack of appreciation of the collective function of life insurance manifests itself. It is apparent in excessive taxation, he said. The taxing by federal governments of the collective funds of people who, by their foresight and thrift, are meeting their own and their families' problems instead of passing them on to society, constitutes a great anomaly, Mr. Fulton declared.

#### Adverse Legislation

Then the fact that life insurance must wage a constant battle to protect itself from all sorts of adverse legislation is an indication that the public does not have a real conception of the institution of life insurance, Mr. Fulton declared. Much legislation is framed to promote selfish local interests in the investment of funds at the expense of the effectiveness of the institution of life insurance as a whole, he said. Things that were never intended to be in the life insurance contract are read into it by legislation.

The attitude of juries and at times even of judges reflects the public's lack of life insurance vision. The fact is not comprehended that assessing a company unjustly in litigation over a claim adds to the cost against the policyholders of that company.

The problem, Mr. Fulton said, is to bring to the public mind a clear cut conception of just what part the institution of life insurance has played and is playing in the solution of national problems, in the development and maintenance of national institutions and in the welfare and happiness of the population.

Mr. Fulton said this can be accomplished by fostering, in every possible

(CONTINUED ON PAGE 20)

### Commissioners Vote to Retain 1931 Valuations

NEW YORK, Dec. 8.—The National Convention of Insurance Commissioners at its session here this week voted unanimously on its program for valuation of securities in the forthcoming Dec. 31 statements. There are some deviations from last year's course, which was voted at the meeting in Chicago. Under it the amortization of bonds used in life insurance valuations could be extended to fire and casualty companies. Some states do not provide for the amortization of bonds other than life. However, the commissioners of such states for the most part have recognized the desirability of such a plan. While this matter is not specifically referred to in the resolutions, the Chicago action stands. The commissioners discussed the valuation subject for some two hours in executive session. A subcommittee of the valuation committee worked on a draft and later the committee itself discussed the recommendation, Superintendent Van Schaick of New York being chairman. The resolutions are:

#### Supplemental Resolution

"Resolved, that for 1932 this convention hereby ratifies and confirms the action taken by its committee on valuation of securities pursuant to the recommendation of the financial adviser to the convention with respect to moderate and reasonable adjustments in the 1931 convention values for municipal bonds.

"Whereas, since the inquiry conducted last year by the National Convention of Insurance Commissioners as to whether market price quotations of stocks and bonds on any particular day are indicative of the fair value of such securities, exceptional price fluctuations of such securities on the exchanges have continued, and

"Whereas, close study of the range of markets over various periods, together with various tests as to the range of markets through times of prosperity and depression alike, up to and including Sept. 30, 1932, leads to the conclusion that the real value cannot be definitely determined and that the convention values of 1931 are indicative of a fair value of securities for inventory purposes at the present time, and

"Whereas, the trend of the markets indicates a situation that over a period of years normal market conditions may reasonably be anticipated in which there will be willing sellers and willing and able buyers in a free rather than a forced market.

"Resolved, that the committee on valuations of the National Convention of Insurance Commissioners is of the opinion that under present conditions the convention values for stocks and bonds adopted for the annual statements due as of Dec. 31, 1931, reflect fair value for the inventory of such securities in

the annual statements due as of Dec. 31, 1932, except as hereinafter provided, and that the same should be adopted as the 'convention values' for 1932.

"Resolved, that in cases where the condition of companies may require the immediate disposition of securities, it is the opinion of this committee that the discretion of a commissioner of insurance should be exercised to vary the general formula herein set forth so as to adopt the prices reflected by the exchanges.

"Resolved, that in the opinion of this committee securities should not be valued at more than the purchase price if purchased since June 30, 1931, unless such purchase was in effect a bona fide exchange of securities resulting in betterment of a portfolio, in which event the value herein provided should be allowed but not so as to exceed the convention value of the securities disposed of in connection with such purchase, and no such special value should be allowed unless such exchange is separately indicated in parts 3 and 4, schedule D, of the annual statement.

#### Stocks of Companies in Receivership

"Resolved, that inasmuch as a number of worthy industrial and commercial corporations are in emergency receivership and a number of corporate bonds are in default as to interest and/or principal by reason of lack of liquidity rather than by reason of lack of underlying value, stocks of corporations in

(CONTINUED ON PAGE 20)

### Chairman



THOMAS A. BUCKNER

### Life Payments in 1932 Hit New High

Buckner Estimates Policyholders and Beneficiaries Will Receive \$3,100,000,000

### LIFE VALUES PROTECTED

Noted Speakers Are Heard at the First Day Session in New York of Life Presidents

NEW YORK, Dec. 8.—Estimate was made by President Thomas A. Buckner of the New York Life in his opening address before the annual convention of the Life Presidents Association here Thursday, that life companies of the United States will have paid to policyholders and beneficiaries in cash or credit this year, the sum of \$3,100,000,000. This exceeds the record breaking sum of 1931 by half a billion dollars, he pointed out. Mr. Buckner is chairman of the convention.

Of this sum, according to Mr. Buckner, \$925,000,000 goes to widows, orphans and other beneficiaries as death claims while \$2,175,000,000 will have been distributed to living policyholders in matured endowments, annuities, surrender values, dividends and disability benefits.

#### Harvest from Seeds Sown

"These disbursements," Mr. Buckner declared, "are the harvest from seeds sown in previous years in the form of premiums by provident policyholders. These 1932 payments, far exceeding in amount all previous records, are shared by hundreds of thousands of individuals of all walks of life, in every section of the country, urban and rural. Thus the widespread distribution of this huge sum, particularly during existing conditions, is a convincing demonstration of the benefits of security created through life insurance."

The life payments this year will be three times the amount of such payments in 1922, he said. In 1961, such disbursements amounted to only one-sixteenth of the 1932 figures.

The theme of the convention is "Broadening Life Values Through Security" and all of the speakers the first day added significance to the theme. The sessions are being held in the Waldorf-Astoria Hotel in impressive surroundings. The attendance is gratifying and the program stimulating and profound.

In addition to Mr. Buckner, the other first day speakers included United

(CONTINUED ON PAGE 20)

## Barnes, Cohen Now in Full Control of Kentucky Home

BUY OUT A. M. GREENFIELD

Missouri State Stock Held by Kentucky Home Is Truited for Five Years

Julius H. Barnes and Frank Cohen, who have been owners of about one-fourth of the Kentucky Home Life, are now in complete control of that company, having purchased the 70 percent interest of Albert M. Greenfield of Philadelphia.

The 148,000 shares of Missouri State Life held by the Kentucky Home Life together with enough other Missouri State shares to constitute control are to be placed in a voting trust, according to President W. T. Nardin of the Missouri State.

The report is that Barnes and Cohen paid between \$1,250,000 and \$1,500,000 for Greenfield's interest in the Kentucky Home Life. It is understood that the relationship of Barnes and Cohen on one hand and Greenfield on the other have not been harmonious.

### New Kentucky Home Lineup

A meeting of the Kentucky Home Life was held Tuesday. M. L. Wurzell, a Greenfield man, resigned as executive vice-president and director. Three other Greenfield directors resigned, they being Mr. Greenfield himself, H. G. Sundheim and Ernest Trigg, all of Philadelphia. Ben S. Washer resigned as general counsel, but remains a director. He is succeeded by E. P. Humphrey, Louisville, who also becomes a director.

Other new directors are Maj. Austin Kinnaird, insurance man, of Louisville, and director of the old Inter-Southern; Harry Perkins, wholesale hardware man of Louisville, and W. T. Godfrey of Louisville and New York. Godfrey aided in the negotiations whereby the Barnes-Cohen interests purchased the 70 percent interest from Greenfield.

The expectation is that Federal Judge Dawson will continue as chairman of the board and Mayor William B. Harrison of Louisville as president.

The Greenfield interests working with Ben Washer put over the deal whereby the Kentucky Home Life was organized and financed to reinsure the defunct Inter-Southern Life.

Mr. Barnes is chairman of the board of the Missouri State Life. The trust agreement is expected to stabilize control of the Missouri State Life and remove it from the battlefield of speculators. Under the agreement, the men who will act for the trustee stock will be President Nardin of the Missouri State, Mr. Barnes and Tom K. Smith, president of the Boatmen's National Bank of St. Louis.

## Interlocking Committee Brings in Its Report

NEW YORK, Dec. 8.—The report of the commissioners' committee on the question of interlocking directorates and holding companies is: "Your committee formed to consider the question of interlocking directorates and holding companies hereby reports that it has considered many phases of the questions presented and has asked for public expression at an open meeting; that it is able now to make but a partial report. Your committee is of the opinion that the inter-relationship of companies, either through holding companies, interlocking directorates, stock ownership or otherwise, has at times led to the exchange or purchase of securities or other financial transactions by insurance companies for reasons primarily for the benefit of holding or af-

(CONTINUED ON LAST PAGE)

## Urges More Attention to Public Relations



JAMES A. FULTON

James A. Fulton, president Home Life of New York, in his address before the Life Presidents Association, stressed the need for bringing forcibly to the public what life insurance is and does.

## Commissioner P. H. Wilbour of Rhode Island Resigns

The Rhode Island insurance commissioner, Philip H. Wilbour, has tendered his resignation to Governor Case. He has held office since 1917. The report is that State Senator H. T. Bodwell of Cranston will be appointed to fill Mr. Wilbour's unexpired term, which ends Jan. 31.

# President Houston Reassures Those Alarmed by R.F.C. Issue

General agents of the Mutual Life of New York have been furnished with copies of the following letter from President David F. Houston of that company in reply to a communication from a policyholder, who was disturbed by the statements of politicians that the Reconstruction Finance Corporation protected millions of policyholders:

"I have read your letter with much interest. I had heard speeches over the radio by several political orators to the effect that the action of certain agencies of the government had saved insurance companies and policyholders. Doubtless, they did not mean to have their statements convey the broad implications which they actually conveyed to some people. I imagine that if they had reflected, they would not have made the statements as broad as they did. Of course, the various speakers must have known that there were no institutions in the country sounder than the insurance companies. Of course, you know that campaign orators, at times, unfortunately seek to play on the fears of the public in order to secure support without due regard, apparently, to the accuracy of their statements or to their effects.

"We have been much annoyed at such statements. As a matter of fact, there was no warrant for any such statements. The great insurance companies of this country were not in danger and are not now in danger. A few companies, mainly very small ones, did borrow

# Replacement Solution Is Dominant Life Problem

NEW YORK, Dec. 8.—The dominating importance of the replacement problem was strikingly brought out at the quarterly dinner meeting last week of the New York City Life Managers Association, where, through no prearrangement, three outstanding speakers gave this matter first place in their addresses.

President George W. Smith, New England Mutual Life; Vice-President P. M. Fraser, Connecticut Mutual Life, and Julian S. Myrick, New York City manager Mutual Life of New York, were the speakers who dealt with the various aspects of the replacement evil.

### Need to Cut Down Waste

Mr. Smith called attention to the tremendous waste resulting from lapses and surrenders, saying that since 1926, including estimated figures for 1932, 77 billions of insurance had been put on the books, while in the same time terminations had totaled 57 billions. Much of this is accounted for by deaths and other maturities, yet most of this volume of terminations, he said, represents surrenders and lapses, and consequently a vast amount of waste.

Stressing the need of cutting down this waste, Mr. Smith said that confidence in life insurance must be kept at its present high level and that nothing should be allowed to unsettle this confidence.

"If a policy must be replaced, it should be placed with the company that wrote the original policy," he said. "You have a golden era before you if you work along the highest ethical lines."

### Bankers Praise Life Insurance

Earlier in his talk Mr. Smith said he had found that bankers in various sections of the country were genuinely surprised at the manner in which life insurance has come through the depression. He said they gave the institution great credit for its part in easing the strain

on the banks by granting so large a volume of policy loans.

Mr. Fraser declared that replacements constitute the most serious problem confronting the companies and that he was "absolutely convinced that something will be done about it."

"My only hope is that the companies will start on it now with the cooperation of organizations such as these," Mr. Fraser declared.

In an unqualified denunciation of the twister and his practices, Mr. Myrick urged the support of the managers' association in any program of the companies that would curb the replacement evil.

Declaring that the twister does no one any good except himself, Mr. Myrick said: "I think that the sooner the officers of the companies take a very strong position against twisting of business from one company to another and make it known that they are going to stamp it out as a matter of policy, the better it will be."

"They will find that all the general agents, managers and agents will back them up to the last degree. It is time that a big broad, general policy such as this should go into effect, headed up by the agreements of the officers of the various companies going through organizations such as the Association of Life Insurance Presidents and the American Life Convention."

### Put Twister on Defensive

"The twister should be put on the defensive and not accorded a place of recognition because he does a large new business based on the twisting of old business from one company to another. He is destructive and not constructive, and so I say to you all, let's work together with our companies to see that this thorn in the side of the life insurance business is eradicated and stamped out and pledge ourselves to do our part to assist."

Alluding to the work being done in this direction by the inter-company agreement on twisting, Mr. Myrick expressed the opinion that it should be made additionally effective.

"The companies have put questionnaires into their application and examination blanks and exchange information if business is being given up in one company and applied for in another," he said. "In other words, if I am twisting a case and answer the question correctly, your company is notified that your policyholder is giving up a policy in that company and you have a chance to defend your policy before my company issues."

### Require Detailed Explanation

"It seems to me that the only way to approach this from a fair point of view is to have the agent who proposes to make the change give his own company a very definite explanation as to why this twist is necessary; he should be put on the defensive instead of placing the original agent on the defensive in protecting his business. If such an agent brings in too many cases of this kind the company should investigate his actions very carefully and if they find that he is making a habit of soliciting his business on the cancellation of existing insurance, they should discharge him and the other companies should be notified of their reasons for having done so."

"The exchange of information is certainly a step in the right direction and has been of great help and so we may look forward to the next step with which to reduce the twisting of business and we naturally hope, in the near future."

Referring to the question of reducing first year commissions to agents and adding the difference to renewals with

(CONTINUED ON LAST PAGE)



## Two Major Topics Before Convention

Security Valuations, Interlocking,  
Main Issues at Meeting of  
Commissioners

### ALL CLASSES AFFECTED

Holding Company Operations Discussed  
from Fire and Casualty Standpoint  
as Well as Life

By C. M. CARTWRIGHT

NEW YORK, Dec. 8.—The National Convention of Insurance Commissioners will hold its next meeting at the Edgewater Beach Hotel in Chicago, June 1-3, 1933.

NEW YORK, Dec. 8.—At the December meeting here of the National Convention of Insurance Commissioners there were two major subjects, the question of valuation of securities for the Dec. 31 statements and next the abuses growing out of holding companies and interlocking devices, with particular reference to life companies. The issue, however, assumed a broader scope than was anticipated, as so many fire and casualty men were present, and by the fact that President Neal Bassett of the Firemen's of Newark fire and casualty group gave the most extended discourse before the special committee appointed at the Texas meeting to study the subject, Commissioner Brown of Minnesota being chairman. The committee gave an open hearing. It had proposed a synopsis of the recommendations submitted to it by those who read papers on the subject at the Texas meeting. This was:

#### Recommendations Submitted

1. Fire and casualty companies—Require writing company, in certain cases, to print on face of policy the name of reinsuring or holding company.
2. Limit investment of assets in stock of other fire and casualty companies.
3. Life companies—Prohibit control of life company by holding company or by another life company—or control of two or more life companies by same group of individuals.
4. Prohibit investment by life company in stock of another life company.
5. Prohibit investment by life company in stock of bank or investment company.
6. Limit holdings of bank or investment company to 10 percent of stock of any life company.
7. Prohibit control of life company through interlocking directorates between life company and bank and/or investment company.

#### Julius Barnes Is Heard

Commissioner Brown presided at the hearing. Julius H. Barnes of this city, who has come into insurance prominence through his affiliation with the Lloyds Insurance Company, being the amalgamation of three casualty and surety companies; the Kentucky Home Life, Missouri State Life and Shenandoah Life, spoke. Regardless of some abuses and failures, he stated, no activity is emerging from the storm with so great honor as insurance. It has retained public confidence to a great extent. He advised against rushing to the legislatures to try to correct a condition where the same end would be attained by voluntary recognition of certain standards. He declared sound public opinion should be created. Govern-

(CONTINUED ON PAGE 28)

## Leading President's View on Needs of Railroads

NEW YORK, Dec. 8.—Life insurance executives whose companies are particularly interested in railway securities feel that the public mind is gradually grasping the situation confronting the roads and that from now on there will be a more friendly attitude on the part of the people and legislators. Naturally, the life companies are vastly interested in the prosperity of railroads, because railway securities of the higher type have always been regarded as superior parts of an investment portfolio. For instance, taking 40 of the leading companies, they show as of Sept. 30, railway securities amounting to \$2,652,000,000. Taking all the companies, their railway investment would reach almost to three billion.

Naturally executives hope that producers in the field, employees in offices and, in fact, all those interested in life insurance for a living will be missionaries in this cause in asking for simple justice for the railroads. Because the life companies are such heavy holders of railway securities, it means that every policyholder indirectly is an investor in these same bonds. So far as the mutual companies are concerned, the policyholders are even more directly concerned, because they make the company and are really partners in the enterprise.

#### Expensive Habits

The executives contend that policyholders need to be more intelligently enlightened as to just what should be done to put the railroads on a more stable basis so that their securities will not be impaired. If the great mass of policyholders would become articulate, their voice would be heard everywhere and would be heeded. The railroads of course must do their part in eliminating extravagances and cutting down waste. Sharp competition has led the roads into expensive habits.

THE NATIONAL UNDERWRITER asked the president of one of the leading life companies in this city to give in a succinct way his suggestions as to what should be done to improve railroad conditions, speaking not from within but from without. That is, railroads themselves must take up and solve their internal problems of management and get their operations on an economic footing as possible. However, from the public standpoint, there are certain injustices now prevalent that in the opinion of this executive must be corrected.

#### Bus, Truck Competition

For instance, the competition of passenger buses and motor trucks is becoming more intense and motor transportation has all the advantage from the standpoint of expense over the roads. Truck owners pay nothing for use of the highways and yet trucks and passenger buses do more than any other vehicles to wear out roads. They are the causes of innumerable accidents. They often monopolize the highways, not only passing through the country but in the towns and cities. They do not hesitate to use a third or more of a street for loading and unloading. They cause congestion in alleys.

They are taking a lot of business away from the railroads because they can handle it more cheaply. This is due to the fact that the roads have to secure and maintain their own highways and machinery of operation. They are taxed heavily on every hand. The motor transportation people pay nothing but property tax and that is comparatively little and contribute, therefore, but a small amount toward upkeep of governments. Therefore, in the opinion of this executive, it will be necessary to get motor transportation on a more equal basis with the railroads.

In the first place, the motor transportation company should not be allowed to operate unless it is given a certificate of convenience and necessity. Some public body should decide whether it is necessary to have any further trucks operating.

#### Regulation of Rate

In the next place, there should be strict regulations as to rates charged so that there will be no discrimination. There should be allowed no rebates or refunds in order to secure business. The rates should be somewhat comparable to railroad rates because even on the same basis, the motor transportation people would have an advantage.

In the third place, there should be some standard as to character and responsibility of service. Today more or less irresponsible concerns are operating. Their financial situation is none too good. Many are just getting by, so to speak. It is a fact that casualty companies will not insure these motor trucks on long hauls unless they are well satisfied as to the financial stability and the character and responsibility of the management and employees. The trouble is today that motor truck people are employing very cheap help and much of this is improvident and irresponsible.

In the next place, this executive feels that the size and length of trucks should be regulated. In some cases where trailers are used, trucks become a serious menace along the highways.

Then there should be taxation imposed on these motor vehicles. They should be made to pay liberally for the use of the highways so that the tax imposed will be comparable to that that the railroads have to pay. The people

(CONTINUED ON LAST PAGE)

## Next Depression Is Far in Future

Life Companies, However, Already Are Making Preparations, Rydgren Says

### PRESIDENT GIVES VIEWS

Continental American Head States Next  
Panic Unlikely to Occur Before Year 3,000

Another depression such as the present one is unlikely to occur much before the year 2,000, President A. A. Rydgren of the Continental American Life said in an interview in New York. Nevertheless, while executives of other lines of business are entirely engrossed in the problem of meeting the vicissitudes of existing conditions, life company executives are considering and formulating company practices and policies calculated to ease still further the strain on the companies during the next major depression, distant as that will probably be.

#### Look Far Into Future

"It is precisely this sort of planning," said Mr. Rydgren, "this sort of formulation of far-reaching policies to be rigidly adhered to during the long intervening period of business stability, which has enabled the life insurance companies so successfully to come through this depression."

"A life insurance company is every

(CONTINUED ON LAST PAGE)

## How to Preserve Equity and Security by Sound Selection

NEW YORK, Dec. 8.—Advice on how to preserve security and equity through sound selection was given to the Life Presidents Association in annual meeting here Thursday by Ray D. Murphy, vice-president Equitable Life of New York.

The attempted inrush of bad risks through self-knowledge or shrewd intuition, measured in proportion to the number of good risks, is influenced by the amount of insurance at stake, Mr. Murphy declared. The small and moderate sized risk, he pointed out, is therefore the backbone of stable mortality experience. Accordingly, as clinical methods which involve high costs are devised, their use will produce diminishing returns if the amount of insurance involved in each application has decreased, he said.

For that reason, according to Mr. Murphy, modern selection has recognized the soundness of returning to the custom of former days by substituting inquiry from the applicant, verified from the outside, for physical examination, provided the amount of insurance is small and the conditions surrounding the application are made severe enough to promise favorable results. A sufficient number of nonmedical experiments in the last decade have been successful to prove that the general thesis is sound, he said. In addition to amounts of insurance, other factors that influence nonmedical business are agency organization, age of persons eligible, previous examination history, the right to require examination or to decline the risk.

On very large risks, Mr. Murphy said,

anti-selection reaches its greatest intensity. At the same time, however, the cost of the most modern and comprehensive examination becomes reasonable. The inquiry into the applicant's financial affairs in comparison with his insurance desires is a side of selection which has become important with the expansion of insurance and the raising of company limits which followed the war. It is a phase which is commonly misunderstood by the public, he said. Because the public feels that selection is based almost exclusively on physical considerations, a man who is turned down may feel that he is suspected of fraud through concealment or intention to commit suicide.

#### Incontestable Clause

Normal mortality for good risks is too fine a figure, Mr. Murphy said, to absorb the mortality of any appreciable proportion of poor risks without disturbance. Greater efficiency of selection should satisfactorily control the situation up to a certain point, Mr. Murphy said, but finally a point is reached beyond which no method has yet been devised which can keep the mortality on a par with that of the business as a whole.

Some assistance would be given to the companies if they were able to rescind contracts that were obtained through misrepresentation where the minority were trying to impose on the companies. However, the incontestable clause, he pointed out, is valuable to the public and promotes good will. If the time ever comes when the abuse of

(CONTINUED ON PAGE 29)

## ADVERTISING— Business Stabilizer

«»

**T**HE Advertising Federation of America collected the experience of 77 outstanding national advertisers for the year 1931. Twelve of the concerns reduced their advertising appropriations by proportions varying from 15 to 100 percent. Thirteen made reductions of less than 15 percent and 52 actually increased their appropriations.

What happened? The net profits of the 12 declined 41.2 percent; those of the 13 were reduced by 13.2 percent; and those of the 52 declined but 9.6 percent.

It is foolish to dispute the Federation's contention that advertising has a definite relation to the up-or-down trend of business. Dependable statistics show clearly that when advertising is fearless and liberal, business expands, and that when it is fear-smitten and contracted business withers.

Advertising is to business what gasoline is to the motor car. When the engine in your car begins to knock a bit on a steep hill you don't try to help matters by getting out and punching a hole in the gasoline tank.

(Number 25 of a series devoted to the merits of National Underwriter advertising)

«»

## The National Underwriter

*The leading weekly insurance newspaper*

E. J. WOHLGEMUTH  
President



C. M. CARTWRIGHT  
Managing Editor

### "No Goat Feathers" Day Nets McNamara Agency 412 Apps

#### EXCEED TWO YEARS' RECORDS

R. S. Marvin Leads New York City  
Guardian Life Men with  
23 Lives

NEW YORK, Dec. 8.—Under the cryptic banner, "No Goat Feathers," the J. C. McNamara agency of the Guardian Life last week topped its one-day record by writing a total of 412 lives in a single day, as against last year's record of 365 lives and the 1930 record of 245 lives. The volume written from early Thursday morning to midnight totaled \$1,259,555.

The record for number of applications, 23, went to R. S. Marvin, who was high man last year with 17. This year, however, two other agents besides Mr. Marvin beat his last year's record, B. D. Lowry having 23 and Thaddeus Minninger, 19½. Others in the first ten leaders in lives were F. M. Minninger, 15; F. M. Libby, 15; A. B. Siegel, 13; Charles Minarcik, 12; A. O. Cole, 11; J. Rosenkrantz, 11, and A. M. Schiller, 8. A large number of men exceeded their last year's records.

#### Diamond Leads in Volume

The leader in volume was Robert Diamant, who wrote seven applications for \$116,000. Others in the first ten were E. Seligman, G. L. Bobbe, Thaddeus Minninger, J. M. Eisendrath, A. O. Cole, B. D. Lowry, J. A. McDonough, F. M. Minninger, and W. S. Warner. The 1931 drive netted \$1,875,000 in business and \$1,902,000 was written in 1930.

The drive was preceded by a breakfast which lasted all morning on the day previous. Each man had previously been mailed a copy of Ellis Parker Butler's book, "Goat Feathers." "Goat Feathers," wrote Mr. Butler, "are the distractions, side lines and deflections that take a man's attention from his own business and keep him from getting ahead. They are the greatest thing in the world—to make a man look like a goat."

#### Tell Purpose of Day

Three 10-year service pins were presented at the breakfast. A brief inspirational address disclosed the purpose of "No Goat Feathers Day," on which from early morning until midnight, the greatest possible effort was to be made to submit the greatest number of applications for life insurance on as many lives as possible in a single day.

Especial emphasis was placed upon the history of similar efforts in the two preceding years. In 1930, "Inspiration Day" resulted in 245 lives for \$1,902,300; and last year "I Dare You Day" resulted in 365 lives for \$1,875,000. While the organization had a slightly larger personnel than one year ago, nevertheless the tremendous task of exceeding the "I Dare You Day" total was realized, and the appeal to the men was based entirely upon exceeding the result of last year.

#### Bulletins Sent to Offices

A time table schedule of lives and volume was kept of the hourly totals, and these bulletins were sent to the four offices, to be read to each as he called up and reported his results. Every man had been requested to telephone upon obtaining his first application and subsequently at two-hour intervals until 6 o'clock. After 6 o'clock J. C. McNamara, Jr., attempted to take each telephone call personally, and in this period talked to every man reporting almost without exception despite the fact that at 11 different times between 9 and 12 o'clock, six different associates were on the telephone simultaneously, sending in their reports from the outside.

### Right On the Job



GEORGE T. WIGHT

General Manager George T. Wight of the Association of Life Insurance Presidents, which is holding its annual meeting in New York City this week, is a former newspaper man. He is proud of his old connections as a correspondent and reporter. George Wight is a prince of good fellows and as the pilot of the great ship he commands, he steers it through safe waters.

### Speculation as to J. I. Reece Continuing as Commissioner

NASHVILLE, TENN., Dec. 8.—There is considerable speculation in Tennessee as to the possibility of Commissioner J. I. Reece continuing in office notwithstanding the fact he has incurred the opposition of most Tennessee companies and many insurance men of the state. Governor Elect Hill McAllister, whom Mr. Reece violently opposed in the primaries, is expected to wield the ax vigorously and decapitate present office holders. Gossip has it that Commissioner Reece figured in an important political deal during the closing weeks of the campaign. Carroll Reece, Congressman-elect from the first district in eastern Tennessee, is an important and influential factor. He is a Republican and was elected in a very bad year for his party. Mr. McAllister's election as governor was aided undoubtedly by a large Republican vote for him in the first district. The report is that Carroll Reece was able to swing this vote with the understanding that "Brother Joe" was to remain in office as insurance commissioner.

### Randolph Agency President

Albert F. Randolph, on the basis of a contest which is held each year, has been elected president of the Holgar J. Johnson agency association in Pittsburgh. The Johnson agency represents the Penn Mutual Life. Mr. Randolph was a speaker at the Penn Mutual's recent convention at White Sulphur Springs, W. Va. He is a graduate of the University of Pittsburgh and he entered life insurance work after having been associated with the Bell Telephone Company and Western Electric in a sales capacity.

### I. A. C. Dates Selected

The Insurance Advertising Conference has selected Sept. 25-27 as the dates for its annual meeting in Chicago next year.

Chartered Life Underwriter books sold by The National Underwriter.



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**1907-1932**  
**25<sup>TH</sup> ANNIVERSARY**

**CENTRAL LIFE**  
**INSURANCE COMPANY**  
OF ILLINOIS

## Taxation of Annuities to Be Important Issue Soon

### MANY QUESTIONS TO ARISE

E. S. MacArthur Gives Views at Life Insurance Counsel Meeting—Chambliss, Grossman, May, Speak

NEW YORK, Dec. 8.—Taxation of annuities undoubtedly will become an important question in the near future, both from the growing use of annuities and from the disposition of states and the federal government to pass new tax laws. The subject of taxation of annuities was discussed by Earl S. MacArthur, attorney for the Teachers Insurance & Annuity Association of America, at the annual meeting of the Association of Insurance Counsel in New York this week.

Among the questions to arise are whether annuities are taxable under income tax laws; whether present values are taxable as personal property; whether succession in annuities subjects the value of the annuity to inheritance or estate taxes; how long annuities in

the hands of successive annuitants preserve their character of "proceeds" of life insurance, with consequent exemption from certain taxes.

Some states are inclined to exempt annuities and others make strong efforts to tax them. Where the annuity is due from a corporation of another state the question arises whether the annuity is taxable in the state where the annuitant lives. In an Oklahoma case the tax authorities placed such a high value on the annuity that the income was not sufficient to pay the tax. It is sometimes exceedingly difficult to ascertain whether under present laws annuities are taxable or not.

#### Doubts Over Beneficiaries

John A. Chambliss, counsel of the Provident Life & Accident of Chattanooga, read a paper on "Trial Tactics in Tennessee." He analyzed the peculiarities of Tennessee procedure, suggesting the advantages or pitfalls of certain tactics in the Tennessee courts, or the federal courts in Tennessee. Mr. Chambliss suggested that a similar study in other states would be worth while, so that when all were available the home office general counsel would have a guide that would prove useful in handling the litigations in the respective states.

E. M. Grossman, general counsel of

the Central States Life of St. Louis, presented a study of the "Problems of the Insurer When Attempted Change of Beneficiary Is Incomplete, Irregular or of Doubtful Validity." Agents scarcely realize how a little carelessness or neglect in giving proper service on a change of beneficiary may expose a company to trouble or a beneficiary to litigation. The subject is a large one and Mr. Grossman's complete paper was very lengthy. It was not read in full, but it represented an enormous amount of work, the results of which are made available to all members of the association.

Many attempts to change the beneficiary are informal. A company must know when to recognize as effective an attempt or apparent attempt to make the change. It should study also to avoid or minimize the occasions when there will be any doubt as to who is the beneficiary, or any danger of being subjected to double liability.

There are three ways in which the right to change a beneficiary may be subjected to doubt: First, through some private agreement outside the policy the assured's right to make the change is restricted; 2, where there is a doubt whether the change was completed in legal effect; third, where the require-

(CONTINUED ON LAST PAGE)

## Dividend Cut Announced by Mutual Life of New York

### ADOPT CONSERVATIVE COURSE

About 83 Percent of Amount Set Aside for 1932 Dividends, Embraced in New Schedule

The Mutual Life of New York has announced a reduction in its 1933 dividend scale. In making the announcement George K. Sargent, vice-president and manager of agencies, said, "The Mutual Life Insurance Company of New York has adopted a dividend scale for 1933 that will yield to policyholders approximately \$36,000,000. This is about 83 percent of the amount set aside for 1932 dividends. Considering the fact that many other businesses show losses rather than gains from operations, our position, showing gains justifying setting aside \$36,000,000 for dividends should be satisfactory to those who believe more in conservative management and security than in fluctuation in the cost of their insurance.

"For the individual policyholder insured under an ordinary life policy at age 35, the 1933 dividend will be at least 85 percent of the 1932 dividend; under a 20-payment life policy (premium paying) 86 percent; under a 20-year endowment 87 percent.

#### Contingency Reserve

"Waiving fluctuation which may occur before the close of the year as well as the effect of the standard yet to be set up by the National Convention of Insurance Commissioners for valuing securities, it is expected that after providing for the 1933 dividend, the company's contingency reserve will remain substantially the same as 1931, i. e., \$63,000,999.

"While the Mutual Life has experienced no difficulty in promptly meeting its obligations, our gains from operations have been less, principally because of prevailing conditions. A slightly higher rate of mortality has decreased gains from that source; larger sums of cash on hand for the purpose of liquidity, together with some decline in income through very small defaults in interest and dividends have reduced gains from investment income; and a smaller volume of outstanding business coupled with increased taxes has reduced gains from loading. Life insurance dividends depend principally upon the surplus arising from these three items.

#### Confine to Gains

"The trustees and officers of the company believe that the practice of confining the new dividend scale to the net gains of the current year should be continued and that, under present conditions, the maintenance of our contingency reserve or surplus at approximately its present amount is very desirable.

"The Mutual Life is in a very liquid condition. Notwithstanding the fact that during ten months of this year it had paid policyholders or beneficiaries over \$150,000,000 including over \$44,000,000 in death claims; to living policyholders \$14,000,000 embracing dividends, matured endowments, surrender values, annuities, policy loans, it has maintained its contingency reserve as indicated at over \$60,000,000 and its cash balance at more than three times the normal and will set aside for 1933 dividends about \$36,000,000. Furthermore, it has more than \$40,000,000 of United States government securities, which are, of course, exceptionally safe; about \$18,000,000 of United States state and municipal securities which are very sound and about \$90,000,000 utility bonds, none of which are in default.

"During the past few years, life insurance has been one of the few investments which could be viewed as worth 100 cents on the dollar."



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For under 3 months.....1 sale in 9 interviews

For over 6 months.....1 sale in 7 interviews

A 29% IMPROVEMENT

# THE MINNESOTA MUTUAL LIFE INSURANCE CO.

Saint Paul, Minnesota

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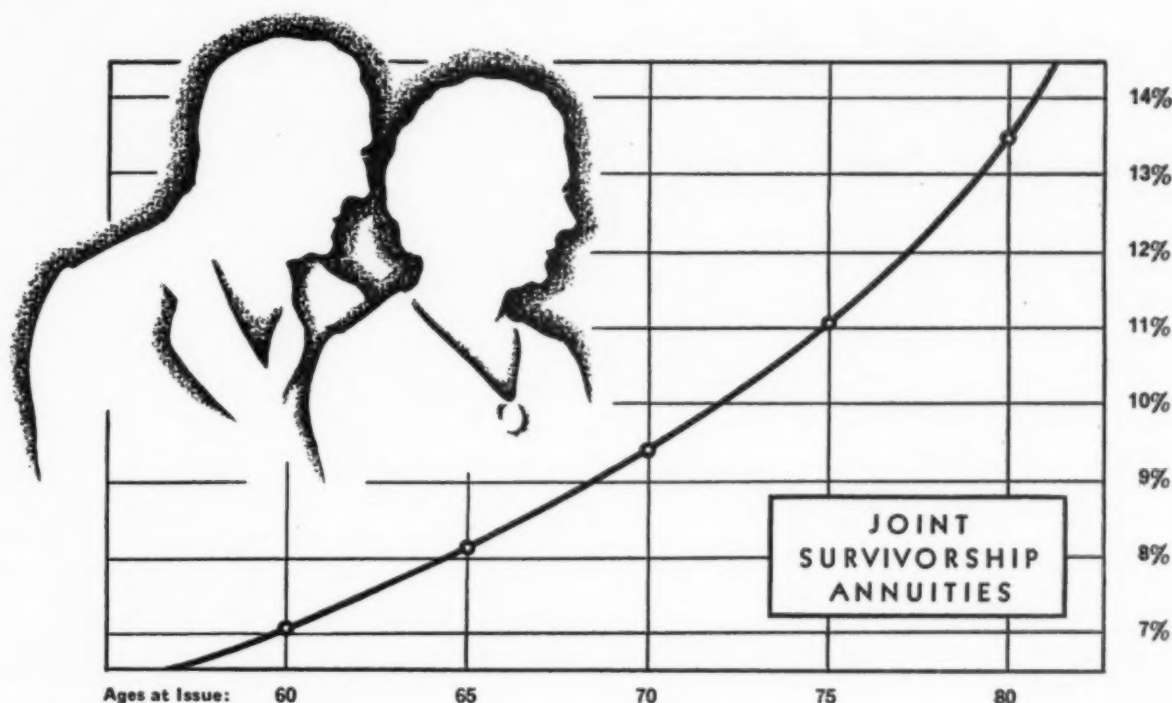
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## Security and Maximum Income

The above chart shows how large the annual income will be when a man and wife (of equal age) invest their savings in a Joint Survivorship Annuity in order to secure a fixed, guaranteed income so long as both or the survivor lives.

As you will notice, the annual return or yield on their single payment ranges from 7.2% if they are 60 to 13.5% if they are 80. And, of course, other age combinations give either larger or smaller returns.

Individual annuities are also available which would provide a still larger total income while both are living. But, since the income for the survivor would then be smaller, the choice of plan depends entirely upon needs and circumstances.

As for the security behind its guarantees, it is significant that the Phoenix Mutual, by its conservative financial management and 81-year record of service, has earned a degree of public confidence without which the following fact would not be possible.

In annuity income payments alone, the Phoenix Mutual is now distributing nearly \$3,000,000 a year.

In other words, Phoenix Mutual Annuities offer just what your clients want — security and maximum income.

It will be worth your while to keep this in mind. Or, better still, why not write today for a schedule of rates in order to have the facts at hand and ready for use.

PHOENIX MUTUAL LIFE INSURANCE COMPANY

Home Office: Hartford, Connecticut

Established in 1851



## "A Source of Comfort Through the Years"

### The Record of a Small Policy

THE following letter from a Wisconsin clergyman illustrates strikingly how even a small life policy kept in force may be the chief or sole means to security and peace in the later years of life:

"My mind goes back across the years, to an afternoon in North Dakota, when a representative of the New York Life came to my home and urged me to take out some Life Insurance. I believed in insurance but was too poor to make a start. I was so short of money that the agent had to lend me the money for my first premium. My only regret is that I did not let him make it three thousand instead of one, as he wanted to do.

"It has been a source of comfort through the years, to have even so small an amount in a safe place. Now we are no longer young, and have decided to buy a little home. This means that we need the small savings the New York Life has been keeping for us these many years. . . ."

This is a \$1,000 20 Payment Life policy issued at age 35. Total premiums paid—\$766.80. Present cash value, including dividend deposits, amounts to \$1,146.21. Through all these years the beneficiary has been protected for \$1,000.

**A life or endowment policy (but not term insurance) is an Insured Savings Plan with guaranteed values for retirement.**



HOME OFFICE BUILDING

## NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE  
NEW YORK, N. Y.

### Keesling Is Reelected Head of Life Insurance Counsel

#### HOLD MEETING IN NEW YORK

About 75 Attend Gathering, at Which Papers on Important Questions Are Read

NEW YORK, Dec. 8.—About 75 members of the Association of Life Insurance Counsel were on hand for the annual meeting here this week. Francis V. Keesling, vice-president and general counsel of the West Coast Life, was re-elected president. Alford Hurrell, vice-president and general counsel of the Prudential, is vice-president; Harvey Cole Bates of the Metropolitan, secretary; Mildred E. Drinan, assistant secretary.

Louis H. Cooke is chairman of the executive committee, the other members of which are: Clyde P. Johnson, W. Calvin Wells, John Barker, and Andrew D. Christian.

#### Keesling Presides

The first session was called to order Tuesday afternoon by President Keesling. Roll was called by Secretary Bates.

On recommendation of the executive committee, Ralph H. Kastner, attorney American Life Convention, was elected to membership. The resignation of D. P. Shull, counsel National Fidelity Life, was accepted.

President Keesling appointed Louis H. Cooke, William BroSmith and Alford Hurrell as committee on resolutions on the death of Darwin P. Kingsley, chairman of the board, New York Life, and Allen May, James C. Jones and E. M. Grossman as the committee on resolutions on the death of Morton Jourdan, counsel Missouri State Life.

#### Taxation of Annuities

The first paper of the meeting, "Taxation of Annuities," was read by Earl S. MacArthur, attorney Teachers Insurance & Annuity Association of America.

The second speaker was David Kay, Jr., counsel Mutual Benefit Life, who spoke on the life insurance law of New Jersey. Questions discussed were the necessity of insurable interest, the rights of assignees in the policy, the exemption statute, and misrepresentations.

E. M. Grossman, general counsel Central States Life, read an interesting paper on "Problems of the Insurer When Attempted Change of Beneficiary Is Incomplete, Irregular or of Doubtful Validity."

President Keesling appointed the following nominating committee: Chairman, Albert H. Yost, second vice-president and counsel Phoenix Mutual Life; W. H. Davis, vice-president and general counsel, Pacific Mutual Life, and James C. Jones, first vice-president and general counsel American National Assurance.

Wednesday's session opened with reading of a paper, "Can the Insured Be Requested to Submit to Medical or Surgical Treatment to Minimize His Claim," by Allen May, vice-president and general attorney Missouri State Life.

The second paper on trial tactics in Tennessee was read by John A. Chambliss, general counsel Provident Life & Accident. The final paper of the meeting by George Wharton Pepper, general counsel Penn Mutual Life, was on federal jurisdiction based on diversity of citizenship.

### American Life Convention Leaders Hold N. Y. Session

NEW YORK, Dec. 8.—The officers and executive committee of the Ameri-

### I. A. C. Life Group Meets on Several Vital Issues

NEW YORK, Dec. 8.—The December round table meeting of the life group of the Insurance Advertising Conference was held here, Vice-president H. N. Holderness of the Connecticut Mutual Life leading the discussion on plans for "Financial Independence Week," in which the life group plans to cooperate.

On the question of the life group forming a separate organization, there was considerable discussion, although it was felt by all present that no action should be precipitated while the present officers, elected in October, still are in office.

The question of insurance journals furnishing Audit Bureau of Circulations figures was discussed at length. It is understood that the prevailing sentiment favored the furnishing of such figures, not as a sole criterion of value, but as a sort of "hall mark" of sincerity and worth.

In the discussion of cooperative advertising, many felt that now, as never before, an opportunity for such advertising is presented, following a period such as business has just been through. The idea was expressed that "Financial Independence Week" might be a good means of obtaining the needed unity in company action.

The afternoon session was devoted to a more or less technical discussion of awards made at the October convention of the I. A. C.

K. H. Mathus, Connecticut Mutual Life, vice-president of the Insurance Advertising Conference, has appointed chairmen for the five sectional membership committees of the life group as follows: Eastern, D. Bobb Slattery, Penn Mutual; Pacific, C. I. D. Moore, Pacific Mutual; southern, John Murphy, Pan-American; western, S. A. Swisher, Jr., Equitable of Iowa; Canadian, Slifford Elvins, Imperial Life, Toronto.

### Quenzer & Van Zandt Named

Prominent New York City Agency Becomes General Agent There for Home Life of New York

NEW YORK, Dec. 8.—Quenzer & Van Zandt, Inc., has been appointed general agents for the Home Life of New York, effective Dec. 1, and will establish a life insurance department in the firm's offices at 116 John street, New York City. This agency has heretofore specialized in automobile insurance and represents a group of prominent fire and casualty companies.

R. H. Breninger, who is executive vice-president of the Merchant's Indemnity, is president of this agency. The other two members of the firm are C. G. Quenzer, who is secretary, and J. A. Van Zandt, who is treasurer. The life department will be headed by E. A. Maguire, who has been connected for some time with Quenzer & Van Zandt and has had many years' experience in the life field as agent, field organizer and agency educator.

can Life Convention and a number of its ex-presidents met Wednesday at the official headquarters of the A. L. C. at the Pennsylvania Hotel here, where the commissioners are meeting. The meeting was presided over by Daniel Boone, president Midland Life and president of the convention, and was largely given over to outlining the fiscal policy of the organization and the question of finances and the attitude which should be taken if the income tax question is opened by congress. At the last session of Congress quite a dispute arose as to exemptions as applied to life companies.



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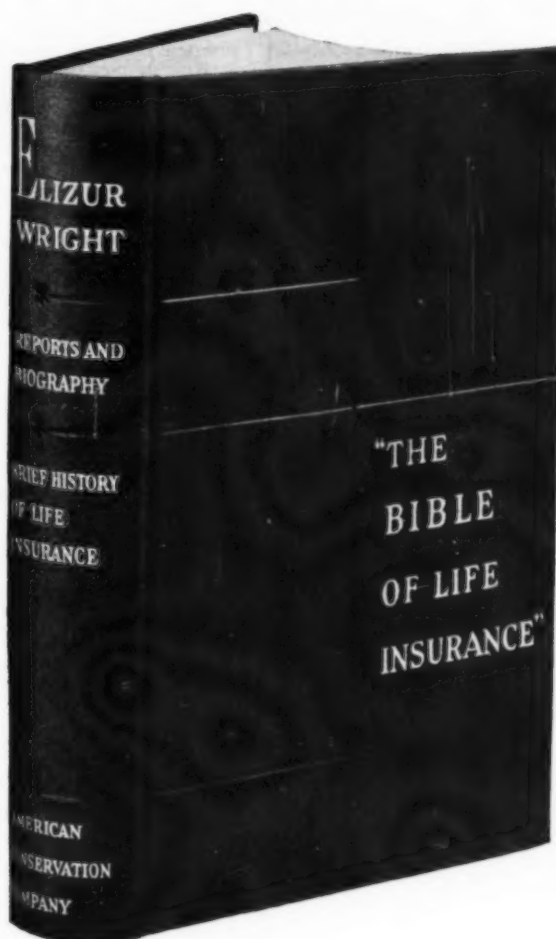
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Here, for the first time, his reports as commis-  
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It reads like a mystery novel! This colorful and  
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William Clendenin, well known for his research  
work with the American Conservation  
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Here are a few of the high spots—Life insurance  
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Ulpianus, the first actuary in history, and his  
mortality tables; the earliest known contract of  
insurance, drawn in Genoa, Italy, dated, Octo-  
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and many others.

And finally, the inspiring biography of  
Elizur Wright, the "Great Commis-  
sioner" himself. Without thought of benefit  
for himself this crusader, reformer and  
humanitarian devoted his life to the  
common good. In his nine years as com-  
missioner he revolutionized the life in-  
surance business. For years he labored at  
the Herculean task of establishing sound  
mathematical principles to make life in-  
surance safe. In one year he made 250,000  
mathematical calculations, and it is estimated  
that the work he did while commissioner would  
have taken the ordinary man 82 years!

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for the abuses it has survived and corrected, and  
for the great boon it is to humanity today.

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The American Conservation Company, Dept. NU2 307 North Michigan Avenue, Chicago

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enclose [check] [money order] [currency] for \$..... at \$5.00 per copy. I understand that, if for any reason  
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CHICAGO, ILLINOIS

## Ten-Year Mortality Trends Reviewed by Dr. A. S. Knight

### GENERAL RATE ABOUT SAME

**Situation Unfavorable as Regards Cancer, Degenerative Diseases, Automobile Accidents, Suicide Deaths**

A review of mortality trends in the past ten years was presented by Dr. A. S. Knight, medical director Metropolitan Life, in his address before the Life Presidents Association this week. He referred to an address which he had given before the same organization in 1922 and compared the conditions then and now. He presented a comparative chart based on the experience of 47 companies in 1922 and 52 companies in 1932, showing that the rate of mortality for the first ten months of this year is approximately the same as ten years ago. Then it was a little over 8.3 per thousand on an annual basis and this year it is close to 8.2. While the expectation of life at birth is now 60 years, instead of 55 a decade ago, this gain of five years has been accomplished through a continued improvement in the mortality at the younger ages. The situation at the older ages has, however, if anything, become worse. This explains why the total death rate has remained almost stationary.

### Cancer, Degenerative Diseases Worse

Big results have been obtained in reducing the seriousness of tuberculosis as a cause of death. It is now only 60 percent as great a factor as it was ten years ago. The decline this year is estimated at 7.7 percent. Typhoid fever has been almost eliminated and the diseases of children are no longer of much concern to life insurance, except in the industrial field. Pneumonia has in general shown a decline, but this condition varies from year to year.

On the other hand, certain causes of death, notably cancer and the degenerative diseases, are an increasing cause of concern. Ten years ago the death rate from cancer was 70.2; now it is 85.6. The heart disease rate this year will be 149.9 per 100,000. Ten years ago it was only 117.1. Bright's disease has shown a slight decline and cerebral hemorrhage a minor increase. If these three latter diseases were combined, as Dr. Knight thinks they perhaps should be, the total for the three would be 10.6 percent higher than ten years ago.

### Auto Accidents and Suicides

The increase in automobile accidents and suicides came in for especial attention. The automobile death rate has of course shown a marked increase over the figures of ten years ago, but Dr. Knight was able to bring some comfort in the fact that the rate this year is approximately 8.5 percent lower than last year, due to the fact that in this year of unemployment there are probably 1,000,000 cars less on the road, and also to the crusade for safe driving which has been conducted all over the country.

### Suicide Is Special Type

The suicide rate this year, Dr. Knight said, will be nearly twice what it was ten years ago. "For us the mere figures of rate tell only half the story," he added, "because, as you all know, the suicide is a special type of risk. He is usually the man who knows what he wants. He has in many cases loaded up with insurance and the average claim is much above that of the average risk, so that the death rate itself does not reflect the amount involved in suicide losses. In some of our companies, the losses from suicide are this year becoming a sizable part of the total claims paid and I regret to say that the situation is getting worse rather than better."

Dr. Knight stated that it has been a matter of surprise to him that the year

## Takes New Post



FRANK M. SEE

Frank M. See has resigned as general agent in St. Louis for the Union Central Life to become general agent there for the New England Mutual.

had not shown any signs of real retrogression in the health of policyholders. He had expected an increase in mortality and in morbidity, which would be reflected in the claim payments of the companies. This condition, however, is not peculiar to the insurance business, as the whole population's mortality shows the same condition. He feels that there is some question as to whether the mental health is as good as the general physical condition.

Dr. Knight spoke of the need for research work in connection with the diseases that are an especial problem to life insurance and suggested that the insurance business as a whole might well lend the weight of its influence to aid such research.

## May Restrict Securities of Companies in Kansas

TOPEKA, KAN., Dec. 8.—The Illinois Life situation may result in some drastic changes in the Kansas law on life company investments, as the Illinois Life had \$21,500,000 insurance in force in Kansas.

Commissioner Hobbs has had numerous inquiries from legislators regarding limitations of life company investments. He expects drastic changes in the law and reports that some legislators want to restrict investments to domestic securities and limit the amount of any one kind.

"There are many who believe that an insurance company should not be permitted to invest in any securities in any enterprise in which any officer or director may be interested," said Mr. Hobbs. "Others believe that the investments should be limited entirely to public issues while others would restrict the purchase of corporation securities to small percentages for any single corporation."

"This department has required companies to remove some foreign securities from its list of assets because of the doubtful value and the low price."

### Life Notes

George J. Presley, executive vice-president San Francisco chamber of commerce, addressed the San Francisco General Agents & Managers Association Dec. 6 on the San Francisco-Oakland Bay Bridge.

The new Wichita, Kan., general agency of the Northwestern Mutual has located on the sixth floor of the First National Bank building. Henry Laffer, formerly of Oklahoma City, is the new general agent.

## N. Y. Chapter of C. L. U. Holds Its First One Hour Congress

### THREE SPEAKERS ARE HEARD

T. M. Riehle, Donald Russell and Nelson  
M. Way Address the Insurance  
Intellectuals

NEW YORK, Dec. 8.—Definite sales helps were presented to members of the New York chapter, C. L. U., at their meeting Tuesday by speakers in the first "one-hour sales congress." Speakers were T. M. Riehle, associate manager, Equitable Life of New York and first vice-president National Association of Life Underwriters; Donald Russell, J. C. McNamara agency Guardian Life; and Nelson M. Way, C. L. McMillen agency Northwestern Mutual Life, all members of the chapter.

Mr. Riehle warned against too much attention to the technical side of life insurance. He said he had been helped in selling by presenting the idea that no man is truly successful unless he is financially independent of his business. The entire worth of most men is tied up with their business and few men have as much as a year's salary saved up in cash or its equivalent. Even most well-to-do persons live up to their income.

#### Organization of Time

Mr. Russell stressed the need of organizing one's time so that it would not be spent unprofitably. There is danger, he said, of spending a disproportionate amount of time in some of the departments of selling unless accurate records are kept to insure the proper apportionment of time to each activity. For example, calls on policyholders may be overdone and be unprofitable, or they may be overlooked and result in missing business that otherwise might be obtained.

Mr. Way emphasized the importance of the "sugar-coating" in the selling of life insurance. He referred to the incident of Abraham Lincoln's reading from the works of the humorist Artemus Ward at a cabinet meeting at a time of crisis. Find out where the prospect is now, as regards life insurance, and where he wants to go and then lead him along to his goal in as pleasant a way as possible, Mr. Way suggested.

Preliminary notice was given of the C. L. U. course which is to start at New York University Jan. 25 and which will continue with two meetings a week until June 8. In making the announcement Prof. J. E. Bragg of the New York University training course said that the tuition had been cut to \$50 and that the course would be conducted by Dr. S. S. Huebner and practically the same staff as last year. Of the 26 who completed the course last year and took the examinations in all five sections, 23 passed. It is expected that there will be large registration for the course.

### Life Underwriters to Hold Mid-Year Meet April 28-29

NEW YORK, Dec. 8.—The mid-year meeting of the National Association of Life Underwriters will take place April 28 and 29 at the Hotel Stevens in Chicago. The trustees' meeting will be held on the first day and the executive committee meeting on the second.

Because of the number of trustees and officers of the association who are in New York for the annual convention of the Life Presidents' Association, C. C. Thompson, president of the National association, called a trustees' meeting for Wednesday of this week. H. M. Holderness, vice-president Connecticut Mutual Life, also held a meeting of the advisory group to begin planning for 1933 Life Insurance Week, of which he is chairman.

## "Once Bit, Twice Shy"

IF THIS homely old saying were always true, it would seem that a life underwriter could almost sit back and wait for business to come, after the chastening through which most people have passed.

But let us not deceive ourselves. Pain is seldom remembered very vividly after the wound is healed. It is true that this depression has taught us many things, and done most of us a lot of good. Our spirits have been chastened, our industry has been increased, we have become more appreciative of the humanities.

But even at that too much must not be expected. Easy money and quick profits will still be alluring when the stock market curve starts upward. After all, human nature doesn't change much, and last year's disasters can easily be forgotten or lose their force.

In any event, it is up to the life underwriter to keep the lesson before his prospects that they may not be wooed away from the idea of personal and family protection, and the *certain and enduring investment value of substantial life insurance*.

In other words, keep telling them and keep telling them more the better conditions get.

*John Hancock*  
MUTUAL  
LIFE INSURANCE COMPANY  
OF BOSTON, MASSACHUSETTS



## Dingman Asks Agent's Help in Appraising Applicants

### ANTI-SELECTION MORE POTENT

Vice-President of Continental Assurance  
Addresses New York City Life  
Underwriters Association.

NEW YORK, Dec. 8.—Although agents are producing a gratifying volume of business in view of the drastic decrease in national income, they are not cooperating adequately in helping the companies to appraise applicants accurately, Dr. Harry W. Dingman, vice-president of the Continental Assurance, told members of the New York City Life Underwriters Association Tuesday evening.

The potency of selection against the company, according to Dr. Dingman, is becoming more and more operative by more and more applicants. Persons with the capacity to buy a large amount of insurance are thoroughly convinced of the value of insurance and set out to get it, often when they are not quali-

fied. They are clever enough to know how to select the companies and make them pay. Agents are intelligently spreading the gospel of life insurance and insurance has become a thing keenly desired by more people and being keenly sought. That brings, among other things, selection against the companies.

#### Why Mortality Increases

Dr. Dingman said that in addition to increased selection against the companies, insurance mortality increases because of the decreased volume of new business to dilute the old business with lower mortality of recently selected cases.

Home office and field must work together in view of these conditions, he said. Men in the field are responsible for volume and quality too.

The depression has sobered the business, Dr. Dingman observed. Intensive thought has been put on investing the money, selecting risks and watching expenditures. This attention, he said, will prove advantageous to policyholders and beneficiaries for years to come.

In its underwriting, the home office, according to Dr. Dingman, appraises the agent who submits the application as much as the applicant himself. The

agent's name means something while the applicant's does not. The agent's name brings to the underwriter's mind a composite picture of all the past applicants of that agent.

#### Don't Use High Pressure

Dr. Dingman advised the agents not to use high pressure in the home office. As soon as a prospect becomes an applicant, Dr. Dingman pointed out, he requires judicial consideration. The agent, he said, helps his case by looking critically and impersonally upon the individual whom he has just sold.

Conservatism prevails today, possibly too much conservatism, Dr. Dingman said. Chances that are avoidable are not taken.

Dr. Dingman said that he feared some time ago that the cautious attitude that was being adopted would breed resentment among agents. But the agents have proved good sports, he said. Instead of protests from agents having increased, they have decreased.

The agent can cooperate because he knows intimate facts about the applicants, such as his occupational duties, the aviation hazard, financial situation and the agent often has a shrewder opinion of the physical condition than the medical examiner.

## Important Committee Chairman Very Busy



GARFIELD W. BROWN

Insurance Commissioner G. W. Brown of Minnesota, who was appointed as chairman of the committee of the National Convention of Insurance Commissioners to take up the question of interlocking directorates and holding companies, called a meeting in New York this week.

## Arkansas Insurance News Veteran Dies of Paralysis

One of the veteran insurance journalists of this country died Dec. 2 at Harrison, Ark., Clio Harper, who had represented THE NATIONAL UNDERWRITER 22 years in the southwest. Mr. Harper had been ill more than a year, being afflicted with what was termed "writers' paralysis" and a general nervous breakdown.

### Discussed Advertising

E. J. L'Esperance, Imperial Life of Canada, was in charge of the luncheon meeting of the Life Managers' Club of Los Angeles which was devoted to a round table discussion of advertising literature furnished by managers and general agents of the New York Life, Mutual Life of New York, Sun Life of Canada, Penn Mutual, Mutual Benefit, John Hancock, Equitable of Iowa, Acacia Mutual, Lincoln National, State Mutual, Aetna, New England Mutual, Canada Life, Provident Mutual, United Mutual and Imperial Life. The manager of each company was allowed two minutes in which to discuss the literature found most effective and how it was used.

### Raise Accident Renewal Rate

The Aetna Life has announced that after Jan. 1 the rates adopted for the new "advisory" forms of accident and health policies, promulgated by the Bureau of Personal Accident & Health Underwriters, will be charged on renewals as well as new business after Jan. 1. When the bureau adopted its new program last March, some companies favored the application of the new rates to renewals, but the majority sentiment was against the idea at that time. As a result of the increasing loss ratio, however, there apparently has been a change in sentiment and 12 companies have now decided to apply the increased rates to renewals.

### Hawkeye Life Reduces Dividends

The Hawkeye Life of Des Moines has reduced its 1933 dividend schedule from 25 to 33½ percent.

## HOME LIFE OF NEW YORK

### OHIO

**D**URING the remaining weeks of 1932 and the early part of 1933 the Home Life will consider establishing several new general agencies in Ohio.

Expanding the agency organization which now exists in Ohio and in furtherance of our program of sound agency development, particular attention will be given to those numerous fine Ohio cities which lie between the metropolitan centers or in themselves comprise substantial entities.

The method of establishing agencies in these cities, which we believe to be a practical one, is

## THE BUCKEYE STATE

based on a modest beginning, grounded in a substantial personal production on the part of the General Agent, followed by the gradual addition of high grade producers. We believe this method meets the financial necessities of the situation and is the soundest possible procedure in meeting current conditions.

Along these lines, and as men who meet the requirements are available, the Home Life program goes forward.

On Agency Matters Address:  
Cecil C. Fulton, Jr.  
Superintendent of Agencies

HOME LIFE INSURANCE CO.  
CITY HALL PARK — NEW YORK

Ethelbert Ide Low  
Chairman of the Board  
James A. Fulton  
President



## Life Insurance Given Great Credit in "Worst Depression"

### U. S. OFFICIAL GIVES VIEWS

Dr. Klein, Assistant Secretary of Commerce, Speaks Before New York City Underwriters

Life insurance has played a most important part in cushioning the shock of the depression and will be a major factor in recovery, Dr. Julius Klein, assistant Secretary of Commerce, told members of the New York City Life Underwriters Association at the monthly meeting Tuesday night. He stated unequivocally that the present depression has been the worst in the country's history. He gave life insurance a large share of the credit for the absence of strikes and other civil disorders in comparison with other major depressions.

No nation has ever been able to face the upward climb with such reserves in the way of life insurance assets and building and loan and savings bank deposits as this country now has, Dr. Klein said. In the last ten years these reserves have increased 140 percent, while the population was increasing 16 percent, or nine times as fast as the population growth. Dr. Klein would make no predictions as to when recovery would come, but said people are at least looking to the future instead of thinking of the boom years.

#### Commissioner Riley Speaks

Commissioner G. D. Riley of Mississippi spoke on "The Life Insurance Agent—Then and Now." He said the life agent of today has been developed by a process of rapid evolution, being the result of careful planning, hard work, study and excellent training. There is between him and the average life agent of yesterday a world of difference, for in the past into the life business flowed lawyers, preachers, teachers and hosts of others, many of whom failed utterly. Many sold policies when and how they could, their only concern being how much money they could make. They did not realize that honest service is the sole foundation of permanent success, Mr. Riley said. Yet even then there stood out the old-time master agents who had the vision to see their mission in life and the foresight to realize the possibilities in life insurance.

#### Agent Highly Competent

Today, Commissioner Riley said, the life agent is a substantial citizen in his community. He is a character analyst, a profound thinker and a student not only of the business of life insurance, but also of trade and commerce and general economic problems. He analyzes, studies and solves life insurance requirements of his clientele, supplying their individual needs. He possesses the characteristics of good citizenship and, Mr. Riley said, "as a result the world's leading business institutions—the giant American life companies—stand out as a colossal demonstration of the methods by which an efficient financial system may be built up around the indispensable dynamics of intelligent self-interest and willingness to serve."

Through the work of such agents, inspired by high ideals, the country has come to know that insurance is a necessity and not a luxury; to consider it as a tangible asset, just as real as property of any other sort, and one which has proved more stable in times of collapsing values than any other. He expressed confidence that life agents of this country will not let the public forget the lessons learned during the depression—the evils of speculation and unsound investment.

W. S. Verplanck of the J. S. Myrick agency of the Mutual Life of New York and Lloyd Patterson of the Keane-Pat-

erson agency of the Massachusetts Mutual Life, chairman in charge of attendance at the New York City Life Underwriters' dinner this week, used the endless chain method effectively in stimulating attendance. They appointed nine chairmen, who in turn appointed seven sub-chairmen, so that 72 persons in addition to Messrs. Verplanck and Patterson were made responsible for actively soliciting underwriters to sign up.

### Continental American Record

#### President Rydgren Comments on Business Boom Recently, Company's Strong Position

Although the Continental American Life's new business for the first eight months this year was 8 percent less than for the same period last year, both October and November showed an increase over the same months of 1931 and an increase is also expected in December, according to President A. A. Rydgren.

"Our production has increased since Oct. 1 largely because of the opening of our New York agency," he said. "Under the very capable management of Max J. Hancel and Matthew J. Lauer, our New York branch in November took first place among all the agencies of the company in the amount of new insurance paid for."

#### Strong Surplus Position

Explaining the company's strong surplus position, he said: "The company began 1932 with capital and surplus equal to 13.9 percent of all liabilities, a percentage more than twice what is generally considered necessary, and, in addition to safeguarding that surplus, the company held a contingency reserve equal to 2.4 percent of such liabilities. The purpose of this contingency reserve was to create during prosperous years a fund, over and above surplus, out of which to absorb the first shock of excessive mortality and investment losses whenever they might occur."

Mr. Rydgren explained that, while this contingency reserve would be virtually absorbed in writing down to current values all securities which have gone into default or which appear likely to do so in the near future, capital and surplus would still be equal to 13.9 percent of liabilities, or more than twice that generally considered necessary. In order to accumulate another contingency reserve, the company recently made the necessary reduction in dividends both to policyholders and stockholders, adhering to its policy of absorbing all losses, including the unusual losses resulting from this depression, out of current earnings.

He said also that the company has been increasing the liquidity of its position, particularly during the past year. Its bank balances are more than twice what is usually considered advisable. It is now in a position where it can safely take advantage of the much more attractive yields to be had in the purchase of long term securities.

#### Must Have Cash Value

CHARLESTON, W. VA., Dec. 8.—Attorney-General H. B. Lee has held that industrial life policies must have a cash surrender value after three annual premiums have been paid, in an opinion given to Commissioner Lawson. Although the policy states it has a cash surrender value only after premiums have been paid for ten years, companies operating in the state are required to comply with the three-year law.

#### Koehler Is Cleveland Speaker

The General Agents Group of the Cleveland Life Underwriters Association will hear A. J. Koehler of New Orleans Dec. 13 on "Selling Life Insurance by Helping the Prospect to Buy."

## "Both Glad and Sorry"

"In ancient times a group of horsemen were riding across a strange country on a pitch-dark night. While crossing the dry bed of a river a voice out of the darkness called, "Halt"! The voice then directed the riders to dismount and pick up a handful of pebbles with the prediction that on the morrow when the sun arose they would be "both glad and sorry." The horsemen complied and on the following morning discovered that the "pebbles" were diamonds, rubies and other precious stones. They were "both glad and sorry"—glad they had some, sorry they didn't take more.

In like manner every Midland Mutual policyholder who matures his contract is "both glad and sorry."

## The Midland Mutual Life Insurance Company

Columbus, Ohio

"Its Performances Exceed Its Promises"

# Reserve Loan le

## INDIANAIS

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YOUR  
SUCCESS**

**BY  
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**IN  
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COLUMBIA  
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## THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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## Member Audit Bureau of Circulations

### Business Men Are Needed

WHEN all is said and done, depression periods like the present are just a testing time and years during which the barnacles and dead wood of business and social economy are cleared away. It is true that the process is somewhat ruthless and very often innocent persons suffer, but it is nevertheless a process similar to that by which nature renews herself and sends forth shoots of new life.

So far as the depression period in this country is concerned, have we any but ourselves to blame for what has happened? We kept raising our standards of living without correspondingly raising our standards of work and real achievement, until the thing broke. The laws of nature run through those laws and rules made by man for the regulation of his own conduct and of his society. They are inevitable. We do not have to go to the countries abroad to find the causes for our own troubles; they are right here at home, and clear to everybody. Our inflated values in every field, our increased charges to the public in the form of dividends and profits, our increased taxes and public burdens, our assumption that there is an imaginary "state" or society which owes us something and on which we can lean and thus avoid the results of our own failings and deficiencies stand before us. We should add to this the assumption that there is a vast number of supermen, especially in the field of business, who have powers which we do not possess and who exert them benevolently for us, forgetting themselves, when these men are exactly like ourselves and will go no farther for the other fellow than we will. The same group of people who have looked to these supermen for support will now, doubtless, turn to the state and we may

have an attempt at some kind of socialism or state paternalism. This, however, is contrary to the whole tradition of American society and government and we shall no doubt in the end be true to our history and traditions, just as Russia and Italy are true, in their own ways, to their traditions and past experience.

What we most need at the present time, in our humble opinion, in each community is a set of real business men who will grapple with problems as they are, who will accept the present depression as one of the normal phases of our form of society, and who will go to work to do two things. The first of these is that we shall recognize that debts are to be paid at maturity and not to be carried along indefinitely or "refinanced" ad infinitum. The second is that these business men shall put our unemployed to work at something, on a business basis, if it only be to again take up abandoned farm lands or farms that can be bought for little or nothing and give any honest man a chance to work, even though his pay be only a cot on which to sleep and three square meals a day. One needs but to take an automobile and travel out into the country in any direction to realize that there is ample opportunity for a huge amount of human labor in rebuilding fences, clearing waste lands, fixing up barns and houses, planting orchards and putting the country districts back in the shape they were even 25 or 40 years ago. A good business man, even though he has not had a college education, will know how to do this, if he is not prevented by law. Obviously, with corn selling at seven cents a bushel and eggs at eight cents a dozen, he can do little more than furnish food and lodging to his workmen and if his taxes

## PERSONAL SIDE OF BUSINESS

M. W. Levering, general agent in London, O., for the Continental Life of St. Louis, has been elected a member of the board of education of London. For a number of years he was a teacher and athletic director of the London high school. He is a graduate of Dennison University.

Twelve members of the Indianapolis city agency and office force of the John Hancock Mutual have completed a bridge tournament, in three successive Tuesday evening sessions. First place was won by E. R. Grisell, second by A. W. Rodecker, and third by C. H. Bond. Future Tuesday evening bridge meetings will also include brief discussions of current business problems.

The friends of B. E. Hopton, agency supervisor of the Bankers Reserve Life of Omaha, are pleased to learn that he is showing marked progress in his battle to overcome the results of injuries received in an automobile accident some weeks ago. He is still confined to the Methodist Hospital in Omaha, but the doctors report that he is showing improvement each day.

Mr. Hopton was struck by an automobile, the driver and occupants of which were reported to be intoxicated.

McCurdy C. LeBeau, for 11 years Michigan manager for the National Life of Vermont, died at the age of 84 at the G. A. R. home in Lansing recently.

F. J. McCaslin, Kansas City, Mo., manager Missouri State Life, and his wife had narrow escapes from very serious injury last week when a tire of their automobile blew out as they were motoring near Pittsburg, Kan. The car overturned but the couple escaped with minor hurts.

Louis J. Petit, 76, Milwaukee capitalist, for 25 years a trustee of the Northwestern Mutual Life and since 1909 a member of the executive committee, died Dec. 2, in Milwaukee, following an emergency kidney operation.

At a testimonial dinner tendered to President E. D. Duffield of the Prudential by citizens of Princeton, last week, in honor of his being made acting president of Princeton University, he was hailed as the next president of the university.

Responding to the speakers, President Duffield, a native Princetonian, struck at corruption in public office and declared that "people must give more attention to those they select for public office." "Corruption in public life," said President Duffield, "must cease to be a joke. Then we will have gained something from the depression."

New York readers are taking much interest in the book "Station Astral" by Mrs. Bessie Clark Drouet, wife of Henry Drouet of the Sheppard Homans agency of the Equitable Life of New York in New York City. Mr. Drouet is one of the leading producers of the agency. The book deals with the mystic and gives the result of a number of spiritualistic seances at the home of the author during a period of three and a half years. Through the intercession of prominent mediums, the results of conversations with Adelina Patti, the noted singer; Michel Angelo, Theodore Roose-

are higher than the amount of cash that he can take off his land he cannot do even this. Of course the difference between seven cents for a bushel of corn and \$1.20 for an hour of a carpenter's time is too great but if there is anything left of American ingenuity and initiative this difference can be cut down.

velt, Gen. U. S. Grant, Admiral George Dewey, former Mayor John Furcy Mitchel of New York City, Quentin Roosevelt, Thomas A. Edison and others are chronicled. There is an insurance atmosphere to the book, as mediums are reported as being in touch with former President John R. Hege-man of the Metropolitan Life and former Manager Edward A. Woods of the Equitable Life at Pittsburgh. There were other insurance men at one time connected with the Equitable, whose conversations were reported.

Francis V. Keesling, vice-president and general counsel of the West Coast Life, is much occupied these days in his capacity as chairman of the building committee of the Golden Gate bridge district. Contracts totaling \$12,794,994 for construction of the Golden Gate bridge were awarded recently and that was the occasion for much civic rejoicing in San Francisco. Mr. Keesling was prominently featured in newspaper photographs.

P. W. Kistler, for ten years in the field and home office of the American Central Life and more recently editor of "Items," its agency paper, has joined the Indianapolis field force.

Wilfrid E. Jones, from the New York office of the National Association of Life Underwriters, who is on a tour of the central west contacting local associations, was in Chicago this week. Mr. Jones covered New England and some of the eastern states before starting on his western trip and will make a swing through the south after completing his work in the central west.

Frank A. Blackman, 65, for 22 years manager at Janesville, Wis., for the Northwestern Mutual Life until illness forced his retirement about a year ago, died at his home there. He became an agent for the Northwestern Mutual in Milwaukee in 1899 and was assigned to Janesville as district agent in 1909.

Miss Ceil O'Connell, cashier at the home office of the Mutual Benefit Health & Accident of Omaha, won the Ak-Sar-Ben Derby there and the \$500 main prize, as a result of selling the most tickets for the Ak-Sar-Ben circus. Miss Miriam Leigh, Guarantee Mutual Life, was third and received a prize of \$150.

The officials of the Republic Life of Dallas entertained with a wild game dinner recently in celebration of the Republic's new special life policy. The game was killed by E. H. Banta, executive vice-president, and included deer and ducks.

William Bacon, president National Standard Life of Houston, and Robert Baxter, president Rio Grande Life of Dallas, were among the speakers.

Dr. J. Camp Butler, 71, for the past 30 years chief medical examiner for the Equitable Life of New York in Baltimore, died in the office there from a heart attack.

M. R. Prenner, actuary of the North Dakota department, has been forced to resign and give up work because of serious illness. Because of his leaving the department, Commissioner Olsness was unable to attend the commissioners' meeting in New York this week.

Willard I. Hamilton, executive vice-president of the Prudential, heads a group of business men who have organized the Central District Corporation in New Jersey and requested a loan of \$11,000,000 from the Reconstruction Finance Corporation to build a terminal at Bayonne, N. J., which would be one of the largest water terminals in the world, serving as an important



# A NEW ENGLAND MUTUAL POLICY THAT WAS IN FORCE 72 Years

On August 8, 1860, the New England Mutual issued an Ordinary Life Policy for \$3000 to a young man 23 years of age. His name was Levi P. Rowland, a native of Connecticut. He became the first, and, at his death, November 3, 1932, he was the oldest, Y.M.C.A. Secretary in this country.

*MR. ROWLAND'S policy remained in force 72 years,—a longer period than any other policy ever issued by the NEW ENGLAND MUTUAL.*

The Annual Premium was \$56.10. The last *net* Annual Premium was \$7.95.

Although the Face Amount of the policy was paid at Mr. Rowland's death, there is evidence that as recently as two years ago he fully appreciated its remarkable investment value, for he wrote the Company:

"For 70 years I have been a member of the New England Mutual, and am pleased and also proud of the fact that I hold its oldest policy now in force. During this period, under a \$3000 Ordinary Life policy, I have actually paid in cash \$1988.29 (after deducting cash dividends of \$1938.71) and I now have a cash value as of August, 1930, of \$2675.94, leaving a credit balance, or net gain, of \$687.75, after insurance protection for 70 long years."

The final chapter in the history of this extraordinary policy is shown in the following table:

|   |                  |
|---|------------------|
| 73 Annual Premiums . . . . .  | \$4095.30        |
| Total Dividends . . . . .   | 2079.85          |
| <b>TOTAL NET PAYMENT . . . . .</b>  | <b>\$2015.45</b> |
| Death Claim . . . . .   | 3000.00          |
| Excess over Net Payment<br>after more than 72 years of insurance protection . . . . . | <b>\$984.55</b>  |

The value to the persistent policyholder of the Mutual Plan in Life Insurance is so clearly demonstrated by the unique history of the Rowland policy that the Company feels justified in presenting the facts to the Insurance Fraternity.

The New England Mutual will continue the present Dividend Scale during the full year 1933. Its Dividend Record has been unbroken for 89 years.



## New England Mutual Life Insurance Company

GEORGE WILLARD SMITH, *President*

BOSTON, MASSACHUSETTS

## 60th ANNIVERSARY 1872 »« 1932

Founded 60 years ago this month. Still furnishing dependable insurance protection with select policies that meet the requirements of the most discriminating buyers.

If a permanent connection in Ohio or New York interests you, write today.

JOHN M. HULL  
President

FRANK F. EHLEN  
Director of Agencies

## BUFFALO MUTUAL LIFE INSURANCE COMPANY

452 Delaware Avenue

Founded 1872

Buffalo, N. Y.

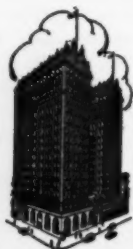
## The Road Ahead

The success ahead of a life insurance salesman depends upon five definite things—

1. Himself
2. His field
3. His policy contracts
4. His contract
5. His company

All of these are equally important. If all are good, success can be predetermined.

To the man who possesses the right qualifications, we will supply the other requisites of the right field, the right policies, the right contract, with the right Company.



Home Office

●For information address:  
A. R. Perkins, Agency Manager

## JEFFERSON STANDARD LIFE INSURANCE COMPANY

JULIAN PRICE, President

Greensboro, North Carolina

distribution center for fresh fruits and vegetables from the west and preventing market congestion in New York City.

Stricken by a heart attack, W. W. Ker, manager of the Niagara Falls, Ont., branch of the Standard Life, died while in Toronto on a business trip.

Funeral services were held in Milan, Mo., Wednesday afternoon for Robert E. Daly, supervisor of examinations of the Illinois department, who died at Springfield of cardiac asthma at the age of 55. Mr. Daly had been connected with various insurance departments in examination work for 30 years. He had been connected with the Illinois department about two years. Before that, for 18 years, he was with the Missouri department and in his earlier days was connected with several other insurance departments.

John Bidlake, who had just recently completed a quarter century as general agent for the Northwestern National Life, died in Billings, Mont., at the age of 69 after a somewhat prolonged illness. Early this year, because of failing health, Mr. Bidlake turned the active management of the agency over to his son, Morgan Bidlake. He joined the Northwestern National in 1907 at Park River, N. D. The next year he went to Miles City, Mont., and then a year later to Billings, where he has been located ever since.

Commissioner Thulemeyer of Wyoming and his brand new bride are in New York City this week where the National Convention of Insurance Commissioners met, he being a member of the executive committee. Mr. Thulemeyer and Miss Kathryn Dayhoff of Cheyenne were married at College Springs, Iowa, where the bride's parents reside. Mrs.

## New St. Louis General Agent of Union Central



JOSEPH R. OXENHANDLER

Joseph R. Oxenhandler is the new general agent for the Union Central Life in St. Louis succeeding Frank M. See. He has made a conspicuous production record in his one year of life insurance work.

Thulemeyer is a registered nurse who has lived in Cheyenne for two years.

J. Lawrence Boggs, supervisor of claims Mutual Benefit, who was injured by a motorcycle in Newark and spent about a week in the hospital, has returned to his Newark home.

## LIFE AGENCY CHANGES

### Important St. Louis Changes

Frank M. See New England Mutual General Agent—Succeeded in Union Central by Oxenhandler

Frank M. See has resigned as general agent in St. Louis for the Union Central Life to become general agent there for the New England Mutual Life. In his new position he succeeds Lloyd B. Da Linda, who will now devote his entire time to personal production. The new general agent for the Union Central in St. Louis is Joseph R. Oxenhandler, who has been special agent for that company in St. Louis.

Mr. See has been general agent for the Union Central in St. Louis since 1925. He has appeared before the National Association of Life Underwriters at Atlantic City, Memphis and San Francisco.

After graduating from Missouri University in 1911, Mr. See began the practice of law at Charleston, Mo. He was in public life, serving as city attorney, public administrator and county treasurer. He entered life insurance work while waiting in Nashville with his wife and child to be called for navy service. In the first 90 days he led the Tennessee state agency for the Massachusetts Mutual. After the war he joined that agency in a full time capacity and two years later was made a partner.

In 1925 Mr. See assisted in the summer school course in life insurance salesmanship at New York university.

### Summer School Instructor

Mr. Oxenhandler is 29 years of age. Although he has been in the life insurance business only a year, he has made an outstanding record. During his first 12 months in the business he sold \$700,000 worth of life insurance and ranked

eighth among the Union Central's agents throughout the country. He graduated from Washington University and the City College of Law in St. Louis and passed the Missouri bar examination at the age of 19. He then opened law offices in St. Louis. When the depression made serious inroad into the success of law practice, he turned to life insurance with conspicuous success.

Mr. Oxenhandler has been vice-president of the junior chamber of commerce in St. Louis. He is a member of Y. M. H. A., St. Louis lodge 20 of Masons; Independent Order of B'Nai Brith and Beta Sigma Kappa. He will be in charge of eastern Missouri and southern Illinois for the Union Central.

### Allied Insurance Agency

The Allied Insurance Agency, 134 North La Salle street, Chicago, which was recently organized and which has not had a life insurance company representation, has been appointed general agent for the Franklin Life of Springfield, Ill. The members of the firm are G. T. Scully, John F. Quinlan, H. J. McKillip, who was formerly with the Travelers, and Grant M. Rhode, who was formerly with the John Hancock Mutual and later with the United States Casualty. This appointment does not affect the status of the branch office and general agency of the Franklin Life at Chicago under F. J. Budinger.

### R. M. Feely

R. M. Feely has been appointed eastern manager for the North American Life, with headquarters in the Academy building, Newark. He succeeds A. J. Schumann, who was general agent for northern New Jersey. Mr. Feely has been connected for ten years with the Security Mutual of Binghamton, N. Y.



latterly as Newark branch manager. Mr. Schumann is remaining with the North American's Newark office as a personal producer.

#### Harry L. Reed

Harry L. Reed, president of the Lincoln Life Underwriters Association and until recently connected with the Nebraska agency of the Mutual Life of New York, has been named general agent at Lincoln, Neb., for the National Life, U. S. A.

#### F. T. Behrens

F. T. Behrens, who until recently was general agent at Seattle for the Continental Life of St. Louis, has been appointed general agent at San Francisco for the Oregon Mutual Life. He succeeds W. A. Gillespie, who has resigned to return to personal production. Mr. Behrens was at one time connected with the Western States Life as agent and later as general agent.

#### E. J. Harding

E. J. Harding has been appointed Cleveland manager of the Manufacturers Life with office in the Bulkley building. Mr. Harding was formerly a banker.

#### Curtiss Bradford

Curtiss Bradford has been appointed agent manager at Los Angeles for the West Coast Life, in charge of Los Angeles county and the metropolitan district. He was formerly director of the Golden Gate agency of the New York Life in San Francisco.

#### C. B. Cappers, J. C. James, L. Wheeler

C. B. Cappers has been appointed manager at Nashville for the Kentucky Home Life with jurisdiction over middle Tennessee. He was connected with the Inter-Southern Life from 1918 to 1922 and has had other experience in

Florida, Ohio, Tennessee, South Dakota and Texas.

J. C. James of Omaha and Lawrence Wheeler of Falls City have been appointed general agents for the Kentucky Home Life in Nebraska.

#### E. Welsch, O. Wolf

E. Welsch and O. Wolf have been appointed general agents of the Liberty Life of Kansas for San Antonio and southwest Texas. Mr. Wolf has been in the general insurance business in San Antonio for several years and Mr. Welsch has been with the Volunteer State Life. The new agency will have offices in the Western National building.

#### D. J. Porter

Donald J. Porter has been named district manager for a new western Michigan district office just established at Grand Rapids by the Equitable Life of New York. Kent, Muskegon, Ottawa, Allegan, Barry, Ionia and Montcalm counties are included in the territory served. Mr. Porter for the past two years has been field assistant to the Battle Creek district manager.

#### O. H. Blair

O. H. Blair, formerly with the Missouri State Life and the Jefferson Standard Life, has been appointed general agent of the Ohio State Life at Portsmouth, O. The Ohio State Life has another agency in Portsmouth in charge of Conrad Roth.

#### Life Agency Notes

The Connecticut Mutual Life has just established an office at Knoxville, Ia., with T. V. Hart as local manager.

Percy Webb, for many years manager of the McManus-Webb Insurance Agency, Sioux City, Ia., who sold out five years ago to W. W. Bennett, has reentered the insurance business there as general agent for the Occidental Life of San Francisco. His daughter, Miss Harriet Webb, in the same office with her father, will conduct a general insurance agency.

### Philadelphia Manager Transferred to N. Y.



JAMES A. TYSON

The Guardian Life is rearranging its New York setup materially. James A. Tyson, general agent for the Guardian in Philadelphia, has been transferred to New York and will have charge of an agency in the Guardian home office building at 50 Union Square.

Three of the Guardian's New York agencies have been moved to new and larger quarters. The F. S. Doremus agency is now located on the 17th floor of the Guardian's home office building; the Leo D. Landau agency is now at 1352, 1440 Broadway and the Paul Alexander agency is in 1004, 16 Court street, Brooklyn.

Mr. Tyson entered the business in

1915 as an agent for the Equitable of New York. The next year he was made associate general agent for the Equitable at Williamsport, Pa., and two years later he was made general agent at Harrisburg, which position he retained until 1925. In that year he was made general agent at Philadelphia for the Equitable. In 1929 he was made manager for the Guardian in that city.

Mr. Tyson was one of the organizers of the Williamsport Life Underwriters Association and served as secretary. He was president of the Harrisburg association at one time and he has been a member of the board of directors and chairman of the membership committee of the Philadelphia association. He is a graduate of Bucknell University and served as president of the general alumni association of that institution for two years.

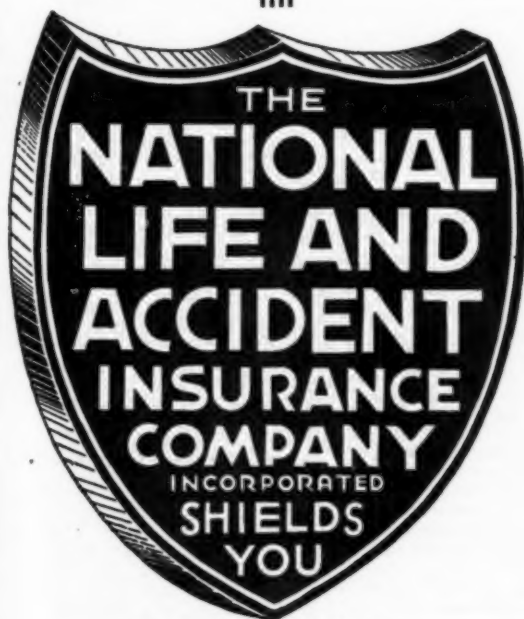
The supervisors schools, which have been carried on by the Guardian through its home office agency department, will hereafter be carried on with the cooperation of the Tyson agency, where field training will be added to the course.

Mr. Tyson's assistants will be W. F. Steck, Jr., and J. T. Trefrey. Until a successor at Philadelphia is announced, Mr. Tyson will retain supervision over that agency.

F. W. Griswold has been appointed manager of a new office of the Massachusetts Mutual Life at Middletown, Conn. He has been with the company's Hartford office for a number of years.

#### Kennedy Supervisor of Agencies

Craig Kennedy, Wichita, Kan., has been appointed supervisor of agencies by the Northwestern National Life for Kansas and Oklahoma with headquarters in Wichita at the offices of W. A. and G. F. Bachman, general agents. For the past eight years Mr. Kennedy has been with the Northwestern Mutual in Wichita, part of that time as district agent with P. M. Anderson. He previously operated a local agency at Lawrence, Kan.



Trade Mark Reg. U. S. Pat. Off.

## What others say about claims and The National Life & Accident

A recent report of the insurance examiners of Tennessee, Ohio, Texas and Virginia says:

"Having made a careful and thorough examination of the claims and claim files, we can state that The National Life & Accident pays claims promptly."

Best's Life Reports says:

"The company pays just claims promptly." Claims promptly paid create satisfaction among policyholders and build business for agents. It pays to be a Shield man.

The NATIONAL LIFE and ACCIDENT INSURANCE CO., Inc.  
Nashville, Tennessee

Tune in WSM

W. L. MOODY, JR.  
President

SHEARN MOODY  
Vice-President

W. J. SHAW  
Secretary

## AMERICAN NATIONAL INSURANCE COMPANY

GALVESTON, TEXAS

A Continued Conservative  
Development Program  
In Each Department

ORDINARY

INDUSTRIAL

Operating in 26 States, Cuba, Hawaii, and Porto Rico

A Well Diversified Line of Modern Policy Contracts, including Juvenile Policies, Retirement Income Policies, Salary Savings, and all Types of Annuities, enable our Representatives to render the Insuring Public the Best in Life Insurance Service.

Men of Character and Integrity, desiring a connection with the Ordinary Department, providing Liberal First Year and Renewal Commissions are invited to address inquiries to

Earnest L. Roberts, Vice President

AMERICAN NATIONAL INSURANCE CO.  
Galveston, Texas

## STATE MUTUAL LIFE ASSURANCE COMPANY

OF

WORCESTER, MASSACHUSETTS

This Five Point Program Is  
Increasing the Sales  
of State Mutual Agents

- 1—Plan day and keep records.
- 2—Follow up old policyholders.
- 3—Advertise yourself and your business.
- 4—Get new and better prospects.
- 5—Use ideas that sell.

Sales material necessary to this program of action is available to our representatives.

Incorporated 1844

FINANCIAL STABILITY—COMPLETE PROTECTION

## NEWS OF THE COMPANIES

### Request Receiver for A. I. U.

Policyholder Files Suit Against Fraternal—Judge Younger States A. I. U., Inc., Is Not Affected

Mrs. Margaret P. Moyles Cassidy, of Columbus and Pittsburgh, has filed suit at Columbus for the appointment of a receiver for the American Insurance Union, a fraternal benefit society. She alleges that funds of that organization are being misapplied by the American Insurance Union, Inc., a legal reserve company, which is acting as trustee for the American Insurance Union. Mrs. Cassidy, the petition says, holds a certificate for \$2,000, with \$1,000 to be payable when she is more than 70 years old and permanently and physically disabled. She says she is disabled and demands the \$1,000. The case came up on a preliminary hearing in Columbus Tuesday.

Judge C. S. Younger, president and general counsel of the American Insurance Union, Inc., when notified of the suit stated, "Under the insurance laws of Ohio the only person who can file and sustain an application for a receivership against a fraternal insurance organization is the attorney general representing the superintendent of insurance."

#### A. I. U. Citadel Is Factor

"The old American Insurance Union, fraternal, which was organized 37 years ago, became tardy in the payment of its claims on account of the erection of the 45-story office building known as the A. I. U. Citadel."

"The American Insurance Union, Inc., is acting as trustee for the American Insurance Union, fraternal, and is conducting its business as such trustee. It does not become responsible for any of the liabilities of the old fraternal."

"The American Insurance Union, Inc., the new legal reserve company, is in excellent financial condition. It has no due and unpaid claims. It has no investment problems, its capital stock and surplus being invested in gilt-edge securities, U. S. government bonds and high grade municipal bonds with good yield of interest, and none in default."

### Wind Up Legal Life

TOPEKA, KAN., Dec. 8.—An application for a receiver to wind up the affairs of the Legal Life of Topeka has been filed in the district court here by the attorney general on behalf of Commissioner Hobbs.

The company was organized as a stock company in 1927 and became a mutual 18 months later. Last winter its headquarters were moved to Ottawa without authority from the insurance department. The company has only 44 policies in force with a face value of \$70,612. But it has outstanding \$41,531 of certificates and examiners for the department found that \$7,739 in interest on these certificates had not been paid since last April. W. G. Dorff, organizer and president, resigned some weeks ago.

The directors sought to liquidate the company themselves but found it could not be done satisfactorily and consented to the application for a receiver. The business has all been reinsured and payment of two claims in addition to the claims of the certificate holders is all that remains to complete the liquidation.

### Policy Loans Decrease

President Herbert M. Woollen of the American Central Life reports a distinct decrease in the demand for policy loans. The cash paid out by the company on account of policy loans in November of this year represented but 56 percent of the amount disbursed in No-

vember of last year and but 69 percent of that paid out in November, 1930, according to Mr. Woollen. Current November cash policy loans were only 79 percent of the total for the month previous. The total cash required to meet policy loans during the first 11 months of this year was 7 percent below that needed for the same period last year. There is a marked decrease in policy loans from Indiana, Ohio, Illinois and Michigan, Mr. Woollen states.

### Reinsurance Is Sought

L. B. Hoge, Pacific Coast manager for the Washington National of Chicago, has been conferring with officials of the California department as to the possibility of the Washington National reinsuring certain business of the Peoples Mutual Life, which is in receivership.

F. J. Uehling has not for two years been president of the Peoples Mutual Life. It was erroneously reported that Mr. Uehling was still president.

### Union Central's November

The Union Central Life reports having written \$12,713,244 in November—the best record since April, 1931. President W. Howard Cox attributes much of the gain to the national advertising campaign that the company is conducting.

The C. B. Knight agency of New York City led the company in November with \$2,437,920 paid for. The H. A. Zischke agency in Chicago had a production of \$744,626.

### Receiver Studies Problems

Gen. Abel Davis, receiver for the Illinois Life, has returned to Chicago from the east where he consulted with insurance companies as to the possibility of reinsurance of the Illinois Life. Chester Davis of the Chicago Title & Trust Co., who is handling much of the work of the receivership, states that interviews are being held every day with insurance companies and every possibility is being exhausted in behalf of reinsurance or reorganization of the company.

### Insolvency Is Alleged

The Pioneer Reserve Life of Little Rock has been certified by Commissioner Du Laney of Arkansas as insolvent. Edward Bennett of Little Rock has been appointed receiver. The company was started in 1926 and reinsured the business of the Travelers Life Association. It had only a negligible amount of insurance in force. The president is W. B. Hollingsworth, former president of the Travelers Life Association, and before that assistant commissioner of Arkansas.

### End of the Year Contest

A goal of 10,000 new industrial policies in the next four weeks, the contest to end on the birthday of Vice-president P. J. Hess, has been set by the Knights Life of Pittsburgh. The contest was announced by W. C. Ley, superintendent of agencies, at a meeting of 75 field agents of the company at the head office. Michael Pfeffer, superintendent at Harrisburg, is heading the field force in this end of the year industrial contest.

### Penn Mutual Promotions

A. F. Schwartz has been appointed an assistant actuary of the Penn Mutual. Mr. Schwartz is also a 1920 graduate of the University of London, where he majored in mathematics and took his B. S. degree. He has been a member of the actuarial department of the Penn Mutual for 11 years, and is a fellow of



the Actuarial Society of America and of the American Institute of Actuaries, and has been a contributor at their meetings.

Walter E. Trout has been appointed assistant supervisor of claims. He entered the medical department of the company in 1916, was transferred to the application department in 1927, and later went to the claims division of the underwriting department.

### Nunnally Succeeds Watkins

M. D. Nunnally has succeeded the late R. D. Watkins as president of the Home Beneficial of Richmond. He has been first vice-president. J. R. Cole, second vice-president was advanced to first vice-president. R. H. Watkins, assistant secretary and son of the former president, becomes second vice-president.

### Ask Bankers Security Receiver

DENVER, Dec. 8.—A receiver for the Bankers Security Life was asked in a suit filed here by seven stockholders. The complaint charged that warring factions have existed in the company since Jan. 15, 1931, and that the company's assets are in danger of being depleted unless a receiver is appointed. It alleges that neither faction can control affairs and that numerous lawsuits have arisen.

### Continental Assurance Gains

The earnings of the Continental Assurance of Chicago for the first nine months of 1932 are the largest in any like period of the company's history. The Continental Assurance has shown

a marked improvement in new business in November and more policy loans were repaid than ever before in the company's experience. The company has declared the usual quarterly dividend of 50 cents a share to stockholders.

### Strive for \$600,000 Goal

The Buffalo Mutual Life is in the midst of a rousing president's month campaign in honor of John M. Hull. This year is the 60th anniversary of the organization and the goal for the month is \$600,000.

### Receiver Is Appointed

E. G. Moorehead of Austin has been appointed receiver for the National Mutual Life of Houston, which was started in 1929.

### Departments Are Combined

The application and policy departments of the Home Life of Philadelphia have been combined as the department of issue under Joseph V. Purcell. The industrial and ordinary accounting departments have also been combined.

### Agencies in November Contest

Agencies of the Berkshire Life throughout the country in November engaged in an inter-agency contest, pairing off with other agencies of similar size. The losers' "penalty" was to entertain for two days the two leading producers of the winning agency.

The Great American Life of San Antonio, Tex., has been licensed in Arizona and expects to open an office in Phoenix.

## LIFE COMPANY CONVENTIONS

### Northwestern Meeting Jan. 4-5

President Cleary to Address Eastern Agents at New York City Annual Convention

MILWAUKEE, Dec. 8.—M. J. Cleary, president Northwestern Mutual Life, will address the annual convention of the New England, middle and south Atlantic agencies in New York City Jan. 4-5. Mr. Cleary will be introduced by Charles H. Parsons, superintendent of agencies.

E. R. Gettings, general agent at Albany, N. Y., will be chairman at the opening session. Following the appearance of Messrs. Parsons and Cleary, a talk on "Gear Yourself to the Times" will be made by G. L. Hill, production manager Clifford L. McMillen general agent in New York City. A demonstration on "Beginning the Sale" will be given by O. H. Harris, Gooding & Rowley, New Jersey general agent, and N. M. Way, McMillen agency.

#### Wells to Preside

H. S. Wells, W. F. Atkinson general agency, New York, will preside at the afternoon session. A demonstration will be given by W. E. Lisle of the E. R. Gettings agency at Albany, and H. L. Barnett, Recht & Kutcher, New York. "Completing the Sale" will be conducted by G. C. Wuerth, McMillen agency, and Albert Hahn, Hergesheimer & Finkbinder, Philadelphia. A recapitulation will be made by R. P. Thierbach, assistant superintendent of agencies.

George Kutcher, Recht & Kutcher, New York City, will be chairman Thursday morning, when four dramatized sales will be presented by members of the four New York agencies under the title, "See It for Yourself." J. L. Wood, National Cash Register Co., will talk.

Following the luncheon, Aaron Finkbinder, Philadelphia, will be chairman. A playlet, "Life Is Like That," will be directed by F. G. Clendaniel and W. W. Putnam of the A. L. Baldwin general

agency, Washington, D. C. In conclusion, H. L. French, Madison, Wis., president General Agents' Association of the Northwestern Mutual Life, will speak on "Motivation."

At the banquet T. E. Peyser, McMillen agency, and R. S. Goldsberry, general agent at Pittsburgh, will be co-chairmen. Dr. Julius Klein, assistant secretary of commerce, will talk on "The Factors in Business Recovery."

### Agency Directors to Meet

Agency directors of the New York Life from every point in the country will meet in New York, Jan. 10-12, for the annual business conference. Sessions will be held mornings and afternoons at the McAlpin Hotel and Dec. 13 will be devoted to a visit to the home office. President T. A. Buckner will attend the sessions and speak. Vice-President Walker Buckner also will take part.

### National Guardian Meeting

MADISON, WIS., Dec. 8.—National Guardian Life agency leaders will meet Dec. 14-15, to discuss plans for 1933 business. Speakers will include G. A. Boissard, president; Richard Boissard, vice-president; C. M. Kremer, agency superintendent; Paul F. Crane, assistant secretary, and A. G. Schmiedeman, Jr., assistant agency secretary.

### Herdman Defers Tax Decision

LINCOLN, NEB., Dec. 8.—Commissioner Herdman will make no decision on the request of life and casualty companies for revocation of his order that the 2 percent state tax on premiums include dividends to policyholders and reinsurance premiums, until after he has consulted with Paul F. Good, the new attorney general, who takes office early in January, as he would have to conduct litigation that would follow adherence to the ruling.

## Compensation !

WHY is the institution of life insurance successfully riding the waves of national financial distress? The answer is not good luck, vast profits, or tricky manipulations. . . . It is so obvious, axiomatic, and simple, that the average mind, through its tendency to search for obscure causes, overlooks it.

Life insurance survives because its cornerstone is scientific conservatism. Quick profits, speculation, guess-work, grasping at the merely expedient have no place in its methods. Life insurance knows that, at the bottom of the wine of prosperity, are the dregs of depression. . . . In times of plenty, it entrenches itself against attacks of panic. . . . It survives the worst because it cherishes the best.

Life insurance, neither pessimist nor optimist, is cold, calculating science, recognizing human frailty and nullifying its evils.

## AMERICAN CENTRAL LIFE INSURANCE COMPANY INDIANAPOLIS, IND.

## Christmas-1932

May the Peace of Protection be quickly extended to every home in this great land and thus be provided the Good Will and balanced economic life so important to our success as a nation and as individuals.

## Security Mutual Life Insurance Company BINGHAMTON, N.Y.



## THREE LITTLE WORDS

### "Full Level Premium"

Full level premium life insurance companies pay as they go. They put up the full reserve the first year and every year thereafter, on all business.

A full level premium company meets the reserve requirements of any and every state in the United States.

Mutual Trust Life is a full level premium Company. That is one reason for its steady progress and why agents find a Mutual Trust contract a profitable one.

## MUTUAL TRUST

LIFE INSURANCE COMPANY



Head Office: Montreal

## SIXTY-ONE YEARS of SERVICE

to an ever-increasing number of satisfied Policyholders, during which time every obligation has been fully and promptly met.

## SUN LIFE ASSURANCE COMPANY OF CANADA

Head Office: Montreal

## AS SEEN FROM NEW YORK

By R. B. MITCHELL

### TAKES LARGER QUARTERS

The New York uptown agency of the Phoenix Mutual Life, formerly at 342 Madison avenue, has moved to larger quarters at 1313 Chrysler building. This agency has had a steady growth in volume and personnel in the past two years under the management of Henry N. Kuesel.

Mr. Kuesel joined the Phoenix Mutual as an agent in May, 1927, after 13 years' selling experience in other lines. In his first two full years in the business, he sold over \$300,000 insurance each year. In 1929 he was made a supervisor in one of the New York agencies. His success led to his appointment two years ago as manager of the uptown agency.

In his first year as manager, this agency enjoyed its largest volume of business since it was established, exceeding the previous year by 31 percent in paid premiums and 29 percent in amount. In 1931, the production showed further gains and, in this same year, the agency ranked second among all the company's agencies in production per man.

### REPORT ON NOVEMBER BUSINESS

The C. B. Knight agency of the Union Central Life in New York City reports \$2,520,420 in paid-for for November as compared with \$2,330,479 last

year. For the first 11 months the agency has paid for \$21,127,451 as compared with \$30,476,729 for the same period last year. The agency is experiencing a considerable increase in submitted business.

The J. S. Myrick office of the Mutual Life of New York paid for \$2,013,315 in November as against \$2,350,706 for the same month of last year. For the year to date its paid-for total is \$24,010,800 as against \$33,088,674 last year.

The R. H. Keffer agency of the Aetna Life paid for \$1,223,296 last month as against \$2,180,143 for November, 1931. The agency's year-to-date total is \$18,329,171 as compared with \$23,491,440.

### MUST REPORT ON COMMISSIONS

Insurance companies of every class will now be required to report to the federal income tax department a complete list of all persons to whom commissions of \$1,500 or more are paid annually, and the same information must be supplied by general agents, under a ruling of C. M. Charest, general counsel of the bureau of internal revenue. This will put an additional burden on the statistical departments of the companies, which already have all the work they can comfortably dispose of. While there has been a question as to whether the act of 1928 applied to general agents, the issue was never ruled upon until it was raised a short time ago.

## AS SEEN FROM CHICAGO

### HINTZPETER AGENCY MEETS

The seventh annual field club convention of the H. C. Hintzpeter agency of the Mutual Life of New York in Chicago was held Dec. 3, Mr. Hintzpeter presiding at both morning and afternoon sessions and extending the welcome at the annual dinner. The program was drawn entirely from the office. J. Janca, agent, spoke on the "Field Club"; N. H. Weiss, supervisor, on "Agency Pride"; H. A. Deadman, supervisor, on "The Forgotten Man," and J. F. Todd, supervisor, on "Generalities," in the morning session. In the afternoon F. A. Martin, agent, spoke on "Functions of Life Insurance" and G. H. Smith gave questions and answers and conducted an open forum. Mr. Janca is president of the agency's 1931-32 field club, Mr. Smith and M. E. Hickey, vice-presidents, and Mr. Todd, secretary-treasurer. Mr. Hintzpeter discussed the company's financial condition, which he said is unusually liquid. He quoted President D. F. Houston to the effect the company has approximately \$550,000,000 in bonds and preferred stocks of which only about \$2,000,000 is now in default of interest or dividend payments.

### LIFE TRUST CLUB MEETS

The Life Insurance Trust Club of Chicago met Dec. 7, having a round table discussion of various technical estate matters. Harry Anderson of the Rockwood Company, president, was in the chair.

### CHICAGO DISTRICT REARRANGED

The New York Life has rearranged and consolidated its Chicago department, eliminating two agencies which have been combined with existing offices. The Loop Center branch under Agency Director R. R. Peterson has been combined with the Chicago Mercantile, of which Luke Lunt is agency director, the combined offices remaining in the latter's location under the title of Chicago Mercantile branch, with Mr. Lunt as agency director. Mr. Peterson goes to the Central branch

under Superintendent of Agencies J. A. Campbell as agency organizer. The City Hall branch also has been closed, being merged with the Central branch.

Ralph Worsey, agency organizer of the Stock Exchange branch, has been appointed agency director with the transfer of the branch to the Bankers building and its retitling as the Bankers Building branch.

O. H. Menold, agency director of the Stock Exchange branch, is retiring Jan. 1 after 41 years' service with the company. Harry Menold, his son, as agency organizer of the Stock Exchange branch, has been transferred to the La Salle street branch as agency organizer under Agency Director E. W. Hunt.

The Stock Exchange branch staff gave a luncheon for Mr. Menold at which R. E. Whitney, inspector of agencies Chicago department, and Mr. Campbell spoke. Agency directors also gave Mr. Menold a farewell lunch. Messrs. Whitney and Campbell speaking and presenting Mr. Menold a set of golf sticks. The City Hall branch gave I. S. Frederickson, agency director of the City Hall branch, a luncheon, Theodore Weiss being chairman and Messrs. Whitney and Campbell again speaking. Mrs. Esther Friend, an agent of the branch, gave a tea at her home for Mr. and Mrs. Frederickson and employees in the City Hall branch. Mr. Frederickson becomes agency organizer in the Central branch.

The annual Nylic rally and dinner-dance will be held at the Edgewater Beach hotel, Dec. 17. R. E. Whitney, inspector of agencies, is in charge of arrangements.

### JOHANNSEN NAMED SUPERVISOR

A. J. Johannsen has been appointed assistant to the general agent of the Hobart & Oates general agency of the Northwestern Mutual Life in Chicago, succeeding E. T. Lothgren, who has been appointed general agent at Providence, R. I. Mr. Johannsen takes over Mr. Lothgren's unit in the agency and also his educational work at Northwest-

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ern University, including supervision of the C. L. U. review course, which is an annual feature that started early this month, and as lecturer and in charge of the life insurance class of the university in the school of commerce. Mr. Johannsen has had four years' life insurance experience, all with Hobart & Oates in Chicago. He is a graduate of Stanford University and secured his C. L. U. designation after only two years in life insurance.

#### \*\*\* HITZMANN HAS ANNIVERSARY

M. A. Zitzmann, manager in Chicago for the Guardian Life, celebrated his 25th anniversary in life insurance Dec. 1. He started in 1907 with Col. J. H. Strong, general agent of the John Hancock, and was with that company until February of 1921 when he joined the force of the Missouri State and rose from the ranks as an agent to assistant manager, and finally manager. On Jan. 1, 1932, he became manager of the second office of the Guardian Life of New York in Chicago. Mr. Zitzmann is probably the youngest veteran life manager in Chicago. Although only 39 years of age, he has spent 25 years in life insurance.

#### \*\*\* GREEN NOW WITH HOWES

D. C. Green, who has been connected with the Everts Wrenn general agency of the State Mutual in Chicago for two years, has been appointed agency assistant by B. C. Howes, general agent of the Berkshire Life in Chicago. The Howes agency, although it showed a percentage reduction on paid basis for the first ten months, at the end of November stood 9 percent ahead of the same period last year and 4 percent ahead of the 1931 production. November was the biggest month in the agency. The Howes office in a sectional contest with the Pittsburgh general agency of W. M. Furey & Son, won, and last week in line with the contest the Furey agency entertained the two leaders in the Howes agency, Ralph Holloway of Chicago and Harry McElroy of Elgin, Ill.

#### \*\*\* SPAULDING MEN TO CELEBRATE

The R. E. Spaulding agency of the Mutual Life of New York in Chicago is planning a big blowout the afternoon of Dec. 31 at the LaSalle hotel.

#### \*\*\* INSURANCE COMMITTEE MEETS

The insurance committee of the Illinois Chamber of Commerce will become more of a factor, especially in legislative affairs, if a program suggested at a special meeting of that committee is carried forward. The various insurance organizations in Illinois are considering the idea of each having two representatives to cooperate with the Illinois chamber's insurance committee and thus provide insurance with orderly channels through which to express its views.

There will be a meeting Dec. 15 of representatives of various organizations, at which the plan will be further discussed.

At the meeting of the insurance committee, a special subcommittee was appointed by Chairman John H. Camlin to consider legislative matters. Those appointed include W. N. Achenbach, western manager of the Aetna Fire; Henry Abels, vice-president of the Franklin Life of Springfield; H. A. Behrens, president Continental Casualty and Continental Assurance; C. M. Cartwright, managing editor of THE NATIONAL UNDERWRITER. A fifth member will be announced later.

Much of the discussion at the insurance committee meeting concerned the proposal to bring about divorce of the Illinois insurance department from the department of trade and commerce and whether recommendation should be made to Governor-Elect Horner as to the appointment of a commissioner.

Following the meeting Chairman Camlin sent a bulletin to members, stating that proposal to separate the insur-

### Honored by Staff



W. M. ROTHARMEI

The Chicago agency managers, general agents and heads of the group, medical, cashier and inspection departments of the Equitable Life of New York tendered a dinner Dec. 8 at the Palmer House to William M. Rothaermel, superintendent of agencies central department, on the third anniversary of his assuming charge. Mr. Rothaermel's helpful cooperation was stressed by the speakers, who brought out the thought that "Bill," as he is affectionately known, "needs no words of praise because there is not an agent, unit manager or manager in the department who does not recognize in him a staunch friend, full of practical suggestions, courageous enough to criticize constructively, and sympathetic enough to appreciate every effort made."

#### Has Large Territory

Mr. Rothaermel started with the Equitable Sept. 15, 1919, and in September, 1928, was appointed superintendent of agencies of the western department in San Francisco, from where he was transferred to Chicago Dec. 1, 1929. In 1931 the central department under his supervision, comprising Ohio, Indiana, Michigan, Illinois, Wisconsin, Minnesota, North and South Dakota, Nebraska, Iowa, Missouri, Kansas and Oklahoma, paid for \$240,875,096. He has developed a high morale and esprit de corps among the men and women in the field. He is an indefatigable worker, spending a great deal of time in visiting the many agencies in his department and maintaining close personal contacts.

Agency Manager P. B. Hobbs was toastmaster and all arrangements for the dinner and entertainment were in charge of Agency Manager K. M. Sacks.

ance department from the department of trade and commerce would meet criticism on economy grounds and it is necessary only to slightly amend the insurance code to provide the insurance superintendent with full authority in insurance. Mr. Camlin suggests amending chapter 127, section 56 of the civil administration code, which reads, "The department of trade and commerce shall have power to exercise the rights, powers and duties vested by law in the insurance superintendent, his officers and employees," by providing that the insurance superintendent shall have sole and exclusive authorities on all insurance matters and be responsible only to the governor.

Mr. Camlin advises that W. P. Robertson of the North America has been appointed representative of the insurance committee of the Illinois Chamber of Commerce at the general insurance meeting Dec. 15.

## "The Ninth Minute"

"I have only ten minutes and I hardly know where to begin," said the speaker.

"Begin at the ninth minute!" shouted a bored man in the back of the hall.

—Column Filler

Every meeting or dinner attendee sometimes wishes that a speaker had begun at the ninth minute instead of at the first. An audience of one, the life insurance salesman the orator, isn't much different from an audience of a thousand. Success depends on whether he commands interest, instead of prevents desire by wearying his listener. The organized sales talk is fatal to exorbitance of time. And its percentage of sales is statistically higher than that of the disjointed type that does not present point after point with cumulative pressure. It is an effective time-saver, permitting the many more interviews now necessary to produce a 1929 income.

### THE PENN MUTUAL LIFE INSURANCE COMPANY

Independence Square

WM. A. LAW, President

PHILADELPHIA

## We Have Attractive General Agency Openings in each of the following cities:

|                     |                  |
|---------------------|------------------|
| Council Bluffs, Ia. | Louisville, Ky.  |
| Sioux City, Ia.     | Knoxville, Tenn. |
| Springfield, Mo.    | Nashville, Tenn. |
| Savannah, Ga.       | Miami, Fla.      |
| Jacksonville, Fla.  | Tampa, Fla.      |
| Indianapolis, Ind.  |                  |

Our complete line of participating policies includes several contracts designed to meet today's economic conditions.

Also attractive Annuities and Juvenile policies.

For particulars write to  
F. A. Hicks, Superintendent of Agents

**GUARANTEE MUTUAL**  
**LIFE**  **COMPANY**  
ORGANIZED 1901 OMAHA, NEBR.

Assets Exceeding \$16,000,000.00





## SOMETHING NEW THAT IS NEW IN LIFE INSURANCE

*A Dollar's worth for every Dollar paid  
regardless of kind of policy purchased*

A \$1,000.00 Endowment Policy, any age at issue, guarantees \$1,061.54 plus Dividends in event policy becomes a claim the year it matures.

Our Twenty Payment most remarkable policy of all—too much to write about in this advertisement.

We have Ordinary with and without Cash accumulation. Without cash value it furnishes Pure Protection Life insurance at non-participating rates but on a participating basis—it is estimated dividends will amount to 50% within a few years, based on actual experience past five years.

Juvenile Policies—Ordinary, Twenty Payment and Endowment from birth, with all the fine features of our Adult Policies. Many other forms of Policies equally attractive.

*Operating in Illinois, Michigan, Indiana and Missouri.*

## INTERSTATE RESERVE LIFE INSURANCE COMPANY

*Mutual Legal Reserve Life Insurance*

Ten East Pearson Street : : : Chicago

## SERVICE LIFE INSURANCE COMPANY

Exceedingly liberal contracts are offered to reputable and responsible agents. An unusual agency proposition is extended in districts where the company is not now represented.

*For information write  
B. R. BAYS, President  
JOHN L. OESCHGER,  
Secretary-Treasurer*

Home Office: LINCOLN, NEBRASKA

*Headquarters for  
Salary Savings  
Systems*

**The Lincoln National Life Insurance  
Company, Fort Wayne, Indiana.**

## NEWS OF LIFE ASSOCIATIONS

### Vash Young Speaks in Omaha

**Urges Daily Quota in Talk at Joint Meeting of Life Underwriters and Association of Commerce**

OMAHA, Dec. 8.—More than 800 heard Vash Young deliver his talk on "Let's Start Over Again," the title of his newest book, at a joint meeting of the Omaha Association of Life Underwriters and the chamber of commerce.

"The first of the year is generally a time when all managers make a quota estimate for solicitors. This is always to the effect that there must be so much business written the coming year," Mr. Young said, "when in fact the manager should fix so much work to be actually done each day. Idleness causes the majority of failures. This work should be done without lost motion, without fear and without worry."

"Many men spend too much time looking for the big things and pass up small policies that if written regularly will soon make you independent. Suppose you write a policy for \$1,000 each working day in the year. Your income will be \$90 as premium and \$81 for renewal. At the end of the year that means an income of \$171 each week. Dreams of big cases do not write insurance, while the daily habit of a \$1,000 policy insures the wolf will not enter your door. The real thing is applying yourself every minute. Get the habit and all will be well."

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Columbus, O.—The Tice & Jeffers agency of the Midland Mutual Life was in charge of the December meeting. The November session was cancelled because of the community fund drive, in which Columbus life insurance men, headed by Fritz Lichtenberg, manager Massachusetts Mutual, took a prominent part.

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Chicago—H. E. North, third vice-president Metropolitan, will speak Dec. 15 at a meeting in the Hotel Sherman on "Modern Selling." Mr. North is in charge of the field education and sales promotion division of the Metropolitan. He has a background as an agent, since he started in the field with this company in 1913. His address at the convention of the National association meeting in San Francisco received an ovation.

\*\*\*

Los Angeles—Clay W. Hamlin, Buffalo general agent Mutual Benefit Life, flew from Buffalo to speak at the sales congress here. He will also return home by air. Horace Mecklem, Portland, Ore., New England Mutual general agent, was also a congress speaker.

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Cleveland—Robert N. Waddell, general agent in Pittsburgh for the Fidelity Mutual and coach of the Carnegie Institute of Technology football team, is addressing the Cleveland association Friday of this week.

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Lakeland, Fla.—A resolution was adopted at the last meeting favoring a life agents' qualification law.

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Northern New Jersey—Harvey Weeks, assistant vice-president Central Hanover Bank, New York City, will speak at the luncheon-meeting Dec. 12 in Newark, on "Money Making Sales Ideas."

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Grand Rapids, Mich.—Clarence E. Randall, superintendent of agents of the Franklin Life of Illinois, addressed the last meeting of the Grand Rapids association on "Opportunities in Life Insurance Created by the Depression."

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Toronto—J. H. Romig, educational supervisor Canada Life, talked to the Toronto association this week on "Increasing Production in 1933."

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Tulsa, Okla.—The Tulsa association, at an executive committee meeting, discussed the qualification law prepared by the Tulsa Fire & Casualty Association, with R. W. Branch, secretary of that association. The draft, originally designed to cover primarily agents other than life, had been altered so as to at-

### New York Speaker



DR. HARRY W. DINGMAN

Dr. H. W. Dingman, vice-president and medical director of the Continental Assurance and the Continental Casualty of Chicago, was one of the chief speakers this week before the New York City Life Underwriters Association. Dr. Dingman is chairman of the Medical Section of the American Life Convention.

tempt to cover all lines. The draft was generally approved and suggestions made for its improvement. The matter will be brought before the Oklahoma city life men soon.

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Milwaukee—Officers will be elected at the meeting of the Milwaukee association Dec. 15. A mail ballot has been sent out with these nominations: For president, C. A. Post, Provident Mutual; first vice-president, H. B. Kay, New York Life; second vice-president, L. W. Boncher, Old Line Life; treasurer, A. D. Crow, Lincoln National; secretary, H. V. Kreger, New England Mutual.

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Southwest Texas—At a meeting of the executive committee of the Southwest Texas association, a motion was adopted that the immediate past president be automatically appointed committeeman for the Texas association.

It was also voted to recommend Judge R. L. Daniels of Victoria, former chairman of the insurance commission during the Ferguson administration, for appointment to this position under the incoming administration.

\*\*\*

Oklahoma City—The program for the Oklahoma City association's December meeting next Saturday will be furnished by the Tulsa association. "Life Insurance as an Investment" will be discussed by President R. E. Seever, E. W. Thornton and W. S. Symonds, all of the Travelers.

The annual sales congress of the Oklahoma City association has been postponed to Jan. 28.

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San Francisco—The San Francisco association, in celebration of "a year of achievement," will hold an old-fashioned "open house" and dancing party Dec. 9. An attendance of between 1,400 and 1,500 is expected.

\*\*\*

Lincoln, Neb.—Chester B. Dobbs, general agent Mutual Benefit Life, was elected president of the Lincoln association at the annual meeting. E. A. Frichs, Security Mutual Life of Nebraska, was named vice-president, and Nate Lieberman, National Life of Vermont, secretary-treasurer. The new executive committee is composed of O. R. Frey, Paul Ohlheiser and E. H. Dunaway. This is Mr. Dobbs' second election as president in ten years.



## News of Pacific Coast States

### Wants Supervision Extended

Utah Commissioner Would Bring "Benevolent Societies" Under Department's Jurisdiction

SALT LAKE CITY, Dec. 8.—A number of small assessment life companies, operating as benevolent societies, are being organized in Utah, with insufficient financial backing and seeking to evade the insurance department's regulations. Commissioner McQuarrie has asked the attorney-general for an opinion as to the insurance department's powers to supervise the association and the latter is inclined to believe that they are outside the law, the state securities commission also holding these societies are not under its jurisdiction. The insurance commissioner holds that he has full authority over all classes of insurance organizations, including assessment societies, even if they go under the term "benevolent." Complaints have been received by Mr. McQuarrie concerning the unreliability of the organizations and efforts to twist business from the old line companies.

### Insurers May Borrow

OLYMPIA, WASH., Dec. 8.—A liberal view of the powers of savings banks and insurance companies to borrow funds was given by Assistant Attorney General Anderson to Karl J. Hary, assistant counsel of the Federal Home Loan Bank Board at Washington, D. C. "We do not find any limitation on the power of insurance companies to borrow money and to hypothecate collateral securities," he stated.

### Hamilton National Appointments

The Hamilton National Life has appointed Frank N. Riley as home office general agent in Los Angeles. He was formerly general manager for the Mutual Deposit Company, an investment firm, and had life insurance experience with the Lincoln National before entering the investment field.

James Keane has been appointed district manager at Sacramento. He was general agent there for the Great Republic Life up to November, 1931, and previously had been with the Western States Life.

### Maritzen Made Liquidator

J. L. Maritzen, who has been in charge of the liquidation of the Union Automobile & Casualty of Los Angeles for Commissioner Mitchell of California, has been put in charge of liquidation of the Peoples Mutual Life of Beverly Hills, Cal., an assessment company writing life, accident and health, which was declared insolvent a few weeks ago and Commissioner Mitchell appointed receiver.

## SOUTHERN FIELD

### Greer Probes Twisting

MONTGOMERY, ALA., Dec. 8.—Superintendent Greer is making a searching investigation of twisting and may issue a ruling on that subject.

"The department is giving serious consideration to the practice of some life insurance agents of using misrepresentation, causing policies to lapse or to be surrendered for cash values, or to be rewritten," said Mr. Greer. "In some cases it is actually suspected that agents may be twisting their own business. A ruling is now being ser-

iously considered which will take care of this reprehensible practice."

### Miss Lundy Arkansas Manager

Miss Alta Lundy, former assistant Iowa manager of the Maccabees, has been appointed Arkansas manager. Miss Lundy has the distinction of being the first woman to be appointed state manager for the Maccabees. She has been with the company for eight years in Iowa, being associated with S. S. Burgin of Cedar Rapids. Her headquarters will be at Little Rock.

### Love's Territory Extended

Thirteen counties in southwest Virginia will be transferred to the Richmond agency of the Mutual Life of New York, of which Samuel B. Love is manager. In April, 1925, these counties, together with some counties in eastern Kentucky, were placed under Manager Edgar Whitehouse at Lexington, Ky. He is now resigning as manager but will continue as district manager at Lexington.

### Strong Movement for Daniels

A strong influence has been set in motion in Texas to have Robert Daniels of Victoria appointed life insurance commissioner to succeed W. T. Tarver. Mr. Daniels is a member of the law firm of Daniels & Edwards, and was commissioner when Governor Ferguson was in office.

### Milwaukee Branch Ahead

B. W. Reagles, Milwaukee manager for the Acacia Mutual, reports that his office is already ahead of 1931 production and will wind up the year with a considerable increase. Mr. Reagles has been manager of the Milwaukee branch for only a few months and has been in life insurance only two years.

### New Arkansas Company Starts

The Guaranty Life of Brinkley, Ark., with \$50,000 capital, has begun operations with Galvin Hudson, president; F. T. Dooley, vice-president, and Horace W. Smith, secretary-treasurer.

It is a stipulated premium company, writing health and accident as well as life.

## NEWS OF LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values and all Charges in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest," published annually in May at \$5.00 and the "Little Gem" published annually in March at \$2.00

### American Bankers

The American Bankers is now issuing its "non-cancellable income" policy in connection with life policies to form what is called the "every-way, every-day combination protection." The non-cancellable feature of the combination contract replaces the income disability provision of the life policy, which is no longer issued. It is issued on an aggregate indemnity basis, with no principal sum, and three months waiting period. It may be sold with every form of life policy except term insurance.

The premium for the combination coverage, age 30, class A, for a 20-payment life contract for \$2,500, with double indemnity and income waiver, and \$2,500 aggregate disability protection, payable at \$50 a month, is \$80.26.

### Central Life of Iowa

The 1932 dividend schedule of the Central Life of Iowa will be continued for the first six months of 1933. Interest allowed on dividends left with the company has been cut to 4 1/4 percent, while the interest allowed on proceeds will be 4.6 percent.

### Continental American

The Continental American Life has adopted a dividend schedule for 1933 which is 3 3/4 percent less than the present scale.

1871—1932

THE LIFE INSURANCE COMPANY of VIRGINIA

Richmond

Bradford H. Walker  
President



*There Must be Some Reason  
for the  
Outstanding Success  
of the  
OHIO STATE LIFE  
Field Representatives*

**SOME OF THE REASONS**

1. FINANCIAL STRENGTH OF COMPANY
2. "AGENCY MINDED" HOME OFFICE
3. COMPETITIVE POLICY EQUIPMENT
4. REMUNERATIVE CONTRACTS

A REAL COMPANY FOR REAL MEN

**THE OHIO STATE LIFE INSURANCE COMPANY**  
Columbus, Ohio

U. S. BRANDT  
President

F. L. BARNES  
Agency Vice President

**COUNTRY LIFE INSURANCE CO.**

will show an excellent increase in force for 1932

- A gain every month since chartered.
- An increase in assets of 50%.
- An increase in surplus more than 74%.
- 86% of the Company's investments in bonds.
- Has no holdings nor investments in default.
- Has mortality less than 25% of the expected.
- Has low participating rates as follows:

|        | Kind          | Par. Rate per \$1,000 |
|--------|---------------|-----------------------|
| Age 35 | Ordinary Life | \$20.63               |

Paid dividend

End second year contingent. Amt. \$2.63

End third year contingent. . . . Amt. \$2.83

This Company gives the benefit of economic management to its policyholders.

L. A. WILLIAMS, General Manager

608 South Dearborn Street  
Chicago, Illinois

**Two Major Topics  
Before Convention**

(CONTINUED FROM PAGE 5)

mental activity, he contended, should not be increased.

Mr. Barnes asserted that the percentage of abuse and loss, due to the schemes complained of, had been small. He sees no harm in a holding company owning and controlling insurance companies. A company distant from financial centers, or one that had a weak management, might be greatly benefited by being linked up with other companies where the chief factors were in touch with business trends and had the benefit of expert advice. He believes in cooperative guidance and advice. Any abuses, he held, should be checked by the commissioners. He stated they should be given broad discretionary powers in dealing with such conditions.

**Bassett Explains Group Operation**

President Bassett explained the two systems of group operation in fire and casualty. One is where the key or owning company holds the stock of its affiliates. The other is where a group operates through a single holding company or is linked together by a common management, but with different sets of stockholders, although many may own shares in the parent company and one or more affiliates.

Commissioner Brown of Minnesota, chairman of the interlocking and holding committee, asked that his committee be extended so that proper legislation to prevent abuses of this system, especially in life insurance, can be recommended at the June meeting. The committee reported that it condemned abuses that have crept into the business through this interlocking device. Superintendent Foster of Ontario reported that he and Superintendent Dugal of Quebec constitute the standing committee on valuations of securities of the Canadian superintendents organization. At a meeting in New York the committee voted to follow the plan adopted by the National Convention of Insurance Commissioners this week as to valuation of bonds, stock and debentures.

**Meet Next in Chicago**

Deputy Gough of New Jersey questioned Colonel Dunham as to the scope of survey as to expenses, declaring the insurance departments have too small appropriations now. Colonel Dunham declared that so far as the departments are concerned he felt that requirements on companies might be cut down so as to relieve them of undue expense.

Commissioner Thompson of Missouri, chairman of the executive committee, reported that the committee had agreed to meet at the Edgewater Beach Hotel, Chicago, June 1-3. It was recommended that the fall or annual meeting of the convention be combined with the June meeting at Chicago. Deputy Gough felt that the commissioners would be criticized for going to Chicago on a world's fair junket. Commissioner Knott of Florida urged that the annual meeting be held at St. Petersburg. That was the alternative recommended by the committee in case the Chicago proposal was not approved. On vote on the Chicago plan, there were only four negative votes, so Chicago will get the annual meeting.

**Prepare Memorial for Brown**

Commissioner Warner announced the serious illness of former Superintendent A. I. Vorys of Ohio, a former president of the convention, at his home in Columbus, Ohio.

Commissioner Dunham McQuarrie of Utah and Mitchell of California were appointed to carry good wishes to Secretary Read. Commissioners Clark of Vermont and Sullivan of New Hampshire and former Commissioner Hobbs of Massachusetts were appointed a committee to draw up a memorial in honor

of former Commissioner Brown of Vermont, who died recently.

President Tarver in opening the meeting departed from the usual custom by leading the audience in singing "America." He then asked Superintendents R. Leighton Foster of Ontario and B. A. Dugal of Quebec to lead in singing "God Save the King." Commissioner Thulemeyer of Wyoming received public recognition by the convention giving him a round of applause in tribute to his recent marriage.

Superintendent Hanson of Illinois announced the death of R. E. Daly, supervisor of examinations of the Illinois department, a member of the blank commission. Actuary Robinson of the Ohio department, chairman of the committee, read a memoir in honor of Mr. Daly.

J. A. Hartigan of St. Paul, former Minnesota commissioner, and now inspector of agents of the Equitable Life of New York, invited all the conventioners to be the guests of the company at lunch Wednesday, with its officials as hosts.

At noon Tuesday the commissioners and their staffs were guests of the Insurance Brokers Association of New York City at lunch. President William Schiff was in charge. There were some special guests present. Brief remarks were made by Commissioners Tarver of Texas, Van Schaick of New York, Livingston of Michigan, Riley of Mississippi and George Nichols of the brokers organization, who spoke of the purpose and scope of his association.

Wednesday evening a larger body of insurance men entertained the commissioners and other department men at the Waldorf-Astoria at dinner, with Commissioner Riley of Mississippi as master of ceremonies.

The grip has attacked some of the commissioners. Read of Oklahoma, Warner of Ohio and Boney of North Carolina all being laid up.

Commissioner Mitchell of California, chairman of the life committee, recommended action to the effect that nothing in the standard provisions for total and permanent disability shall invalidate the prorate clause. This was carried.

President Tarver in some closing remarks recalled the pleasant associations of the commissioners and stated that before the annual meeting some of the present officials will doubtless have to bow to political exigencies. He stated that the next meeting will doubtless see many new faces.

**Jury Votes "Legal Death"  
Entitles Widow to \$100,000**

Testimony in a suit at Ft. Worth, Tex., tending to show that Sid Norwood, former "peanut king" of Cleburne, Texas, and at one time a millionaire, was legally dead at the expiration of his \$100,000 life policy Oct. 23, 1928, a jury in Fort Worth declared in deciding that the \$100,000 should be paid his "widow." He became involved financially, several of his ventures failed, and then he disappeared in the fall of 1921. There are 18 indictments awaiting his return. Norwood's mother testified she received a letter from him in the summer of 1924, saying "I am going out of your life forever," the last word she has received from him. However, he has been reported seen in the southwest and Texas on several occasions.

C. G. Smith has been appointed manager of the Mutual Benefit Health & Accident and United Benefit Life for Montgomery, Ala., and 13 surrounding counties.

**CLAY W. HAMLIN  
"DEFINITIZER" SYSTEM**

Manual for the manager on Mr. Hamlin's complete time control plans and 3 copies of the "Definitizer" for \$1.00.

**Insurance R & R Service**  
Indianapolis, Indiana



## Fulton Stresses Public Relations

(CONTINUED FROM PAGE 3)

way, public interest in the accomplishments of life insurance. The business, he declared, is full of genuine news stories which, in addition to being news, could go far towards creating a favorable public sentiment.

In company publicity, he said, the collective function of life insurance and its relation to the national life of the country could be more strongly emphasized. The work of the National Association of Life Underwriters in presenting the broad picture of life insurance through public addresses of one kind and another could be furthered by company officials lending their services.

The greatest factor in shaping public sentiment is the field force, he said. If they are to function as educators in shaping individual thoughts and economic habits of their clients, the agents have a right to expect a constant effort on the part of the companies to place the agent in the proper light in the mind of the public and to increase their standing and prestige. The agents have a right to expect that the company officials will examine every problem in the light of its effect upon the social and economic standing of the agent. Company officials, he said, should attend to those tendencies in the business which, while they may produce some temporary volume, do it at the expense of the earning power of full time agents representing a single company. Future success and development of the business, according to Mr. Fulton, will depend upon the maintenance of the integrity of the American agency system.

### Compares Insurance in Force

Mr. Fulton reached these conclusions after presenting certain comparative figures as to insurance in force in the various countries in the world. This is an annual feature at the life presidents' meeting and the speaker who presents it usually finds some food for thought in the comparison. The United States, he showed, with one-sixteenth of the population of the world, carries more than twice as much life insurance as all the rest of the world together. He pointed out that the United States is also conspicuous for having resisted the onward sweep of state socialism. He expressed the belief that there is a connection between the two facts—that the development of life insurance in this country has some connection with the ability of the United States, in the present crisis, to adhere to that form of government upon which the country was founded and to maintain, in so large a degree, the integrity of its national institutions.

In the transition of the United States from a nation of independent business men; home owners, etc. to a nation of combinations of capital employing thousands of workers, the American people have turned steadily to life insurance to furnish them security for themselves and their families. Life insurance has not only answered the problem of the individual but has served as an agency to collect the funds from individuals which made possible the financing and development of all types of industry.

In other countries, while the industrial revolution has gone forward, life insurance has not developed nearly so extensively. As a result systems have grown in other countries of the government taking over the function, which life insurance provides in the United States, providing for its citizens in case of premature death, old age and other events which bring them to privation.

### Owen Succeeds Hubbard

Ralph K. Hubbard, general agent at New Haven, Conn., for the Sun Life, is retiring from the service of the company. He is being replaced by Earle D. Owen, general agent for the Sun Life at Portland, Me.

## How to Preserve Equity and Security by Sound Selection

(CONTINUED FROM PAGE 5)

this clause is so great as to demand its material alteration, Mr. Murphy said, it will mark a significant failure of civilization in this country to be worthy of a noble tradition.

Through statistical research in the last 20 years, Mr. Murphy said that appreciation has been reached that the applicant's build must be reckoned, the important diseases which may have left an influence, any abnormalities past or present in the organic structure, habits of life, occupational activities, implications of the insurance program. In the application of this knowledge medical directors, actuaries, lay underwriters, occupation experts and statisticians are engaged. The problem remains to translate those separate items of knowledge in terms of the individual who combines the particular variety of them. The true classification of the individual must be made by a competent and comprehensive view of the risk as a whole. Companies must develop specialists in each extensive field and then must correlate that knowledge.

There must be maintained a judicial atmosphere in which wise decisions can be reached without undue stress. There should be a sympathetic understanding between the selection and agency departments. Agency departments can advise the selector of actual field conditions that have a bearing on practical phases of the problem and can maintain a high quality and character of agency representation. On the other hand, selection departments are in a position to assist agency men in their insight into the problem of determining the ability of individuals worthily to represent their companies.

## Commissioners Decide to Retain 1931 Valuation Plan

(CONTINUED FROM PAGE 3)

receivership and bonds in default should be valued on the 1931 convention basis, less 30 percent of the difference between such convention value and the exchange quotations of Dec. 1, 1932, unless the value underlying such securities has been heavily depleted or has disappeared to such an extent that a lower value is required by reason of such special circumstances, and

"Resolved, that in the application of this resolution recognition should be given to the fact that convention values as herein defined are based upon the range of the market and are subject to the revision as the actualities of the market from day to day develop and that it be recommended that companies set up voluntary reserves to be designated in the annual statements 'contingency reserves.' That at regular periods thereafter the actual market value of securities, as reflected by the exchanges from day to day, be averaged in, so as to bring the range of the market used into accord with actual future developments, or that there be adopted some other method to accomplish such result, so that the difference between the convention values as herein determined and the actual exchange quotations shall be absorbed over a reasonable period."

### Campbell on Advisory Council

Gordon H. Campbell, Little Rock, general agent of the Aetna Life in Arkansas, northern Louisiana and southern Missouri, has been appointed by President M. B. Brainard as a member of the General Agents Advisory Council to succeed S. T. Whatley, Chicago general agent, who becomes vice-president and agency director at the home office.

The Fred C. Hathaway office of the Mutual Life of New York at Los Angeles has been moved to the Associated Realty building at Sixth and Olive streets.

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## for the Man of

## Character,

## Initiative and Industry

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ALEXANDER E. PATTERSON

GENERAL AGENCY

of

The Penn Mutual Life Insurance Co.

120 S. La Salle St.

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And Now—

Monthly Premiums!

Agents, profiting by the exceptional money-making opportunities of our Golden Rule Contract, now may place Monthly Premium Policies, as well as those on the Annual, Semi-annual or Quarterly basis.

A Monthly Premium Depositing Plan is certain to be popular in times like these.

Columbus Mutual Life  
Columbus, Ohio



**Sold!**  
**1 MILLION**  
**DOLLARS**  
**The First Month**

ANYONE CAN  
SELL OUR NEW  
"MONEY-BACK"  
POLICY BECAUSE  
IT HAS THE 1932  
"HARD TIMES"  
SALES APPEAL

1. LOW RATE
2. RETURN PREMIUMS

We will send you  
the sales plan and  
let you be the judge!

THE  
BANKERS RESERVE LIFE  
COMPANY - OMAHA -  
WALTER G. PRESTON,  
President

Mail the Coupon  
**TODAY!**

Tell me about your  
Money-Back Sales Plan.

NAME \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY \_\_\_\_\_

## Life Payments in 1932 Hit New High

(CONTINUED FROM PAGE 3)

States Senator Hebert of Rhode Island; Hugh Guthrie, minister of justice, Dominion of Canada; Dr. Augustus S. Knight, medical director Metropolitan Life; Governor Cross of Connecticut; Ray D. Murphy, vice-president Equitable Life of New York, and President James A. Fulton of the Home Life.

Mr. Buckner said that because of the severity of the depression insurance in force at the close of the year will be less than at the end of 1931, but will exceed the outstanding amount at the end of 1929 and will be more than twice the amount outstanding at the end of 1922. He estimated that there will be outstanding at the end of this year \$103,700,000,000 on the lives of 65,000,000 policyholders.

### Production Off 23.7 Percent

New life insurance according to Mr. Buckner, this year will approximate \$14,700,000, which is 23.7 percent below the peak figure of 1929. However, the combined index numbers of industrial production, including manufactures and minerals as published by the United States department of commerce in the survey of current business is 46.2 percent below the 1929 peak. Therefore, insurance production is well above the average and shows the disposition of the American people even when struggling against severe odds to continue to provide for the security of their future and that of their dependents.

"As cold statistics," Mr. Buckner declared, "the figures are merely a business compilation. As a measure of security protecting life values, they have a significance of vast importance. They present abundant evidence of human advances in public welfare of a very practical and far reaching character and variety."

### High Tribute by Cross

High tribute was paid to life insurance by Wilbur L. Cross, governor of Connecticut, in the opening paragraphs of his address. "As governor of a state distinguished for its great insurance companies," he said, "I have been kept aware of the difficulties which you men have encountered and which you have overcome or are overcoming. There are still dangers ahead before the world of business can once more emerge from the depths out upon the uplands of a measured prosperity. In the meantime, your record for business sagacity continues to be notable. Above all else you have protected your policyholders. People have lost confidence in the administration of this or that business enterprise, but their confidence in insurance companies has been in no wise weakened. Insurance still remains a bulwark for the protection of the people in these hazardous times."

"Beginning in a pure gamble, life insurance has developed into a form of business as nearly scientific as any business has yet become. If insurance ever fails, all business will fail; and with the failure will collapse the entire capitalistic structure of modern civilization."

His central theme was the necessity for reduction in governmental costs. "The only sound economic policy to be pursued in a period of depression is to cut to the bone the expenditure of all divisions of government," he said. "Business is retarded if taxes are increased. Business is assisted whenever taxes are reduced. I go further and say that this policy should be maintained also through cycles of prosperity."

He reviewed the development of present day economic conditions, starting with the vast destruction of wealth in the world war. Incidentally he declared that it is merely an illusion that the war debts, as they now stand, can ever be collected. He said that in the interest of international business and amity, they must be scaled down to the van-

ishing point, as has happened in the case of reparations.

United States Senator Felix Hebert of Rhode Island, who was formerly insurance commissioner of that state and since his retirement from that office has acted as attorney for some New England insurance groups, addressed himself primarily to the dangers of the increase of paternalism in government. He declared that attempts are now being made to reverse the operation of a fundamental law. "There are those who advance the theory that our means of salvation lies in the way of taxing the rich and thus relieving the poor," he stated. "Economists have shown through the years that this is a delusion, for taxes always sift down to those least able to bear them."

"It is not sound thinking which leads us to the conclusion that the government should go into the business of supporting the citizens. They are no longer free when they look to the government for support, for then the government becomes all-powerful. Moreover, it cannot do that thing unless it goes into business itself—and for profit—and, of course, that will mean putting an end to private profit."

### Canadian Is Speaker

Hugh Guthrie, minister of justice and attorney general of the Dominion of Canada, addressed the life presidents on international questions. Although the disarmament conference in Geneva last February did not reach an agreement upon the question, Mr. Guthrie said it is evident that public opinion has become mobilized throughout the world on the question of disarmament and that there is hope that when the disarmament conference reconvenes progress may be made. Mr. Guthrie paid tribute to the League of Nations and said that its greatest weakness is that the United States is not a member.

## Life Company Groups Ask for Changes in Statement

NEW YORK, Dec. 8.—Due to the tremendous proportions which schedule B, part 3, of the life insurance statement blank has assumed in recent years, with the consequent enormous increase of the work and expense in its preparation, the joint standing committee on blanks of the American Life Convention and the Association of Life Insurance Presidents requests the commissioners and superintendents through the National Convention of Insurance Commissioners that in the preparation of schedule B, part 3, for 1932, the following procedure be permitted:

1. All loans of \$25,000 and over be reported individually as heretofore.
2. All loans of less than \$25,000 be summarized and the totals shown in the following groups: (a) Loans on which interest is overdue more than three but less than six months; (b) loans on which interest is overdue six months or more; (c) loans on which taxes, assessments or other liens are delinquent more than one year, except loans reported under (a) or (b); (d) loans in process of foreclosure not reported under (a), (b) or (c).
3. Under "remarks," in the extreme right hand column, indicate which mortgages are being foreclosed if reported individually, otherwise the aggregate amount under foreclosure for each summarized group.
4. This grouping be applied to farm and city properties separately, after first classifying mortgages by states.

### Marion Succeeds Bunting

J. F. Marion has been appointed special deputy commissioner in charge of the liquidation section of the Pennsylvania department to succeed the late S. W. Bunting. Mr. Marion's headquarters will be in Philadelphia. Since June he has been chairman of the governor's job analysis committee and the work of this committee is now largely completed.

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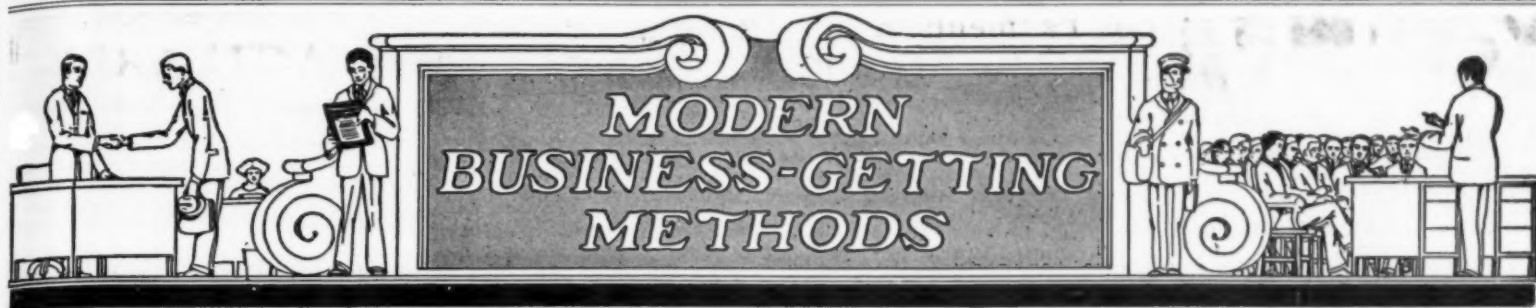
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### RECENT LETTERS

The President of a large Company says:  
"It will revolutionize Life Insurance Selling."  
A Superintendent of Agencies says:  
"Greatest Selling Idea in a Decade."  
An Underwriter says:  
"It has doubled my income."  
**LIFE INSURANCE AS A  
PROPERTY INVESTMENT**  
Found only in "The Essentials of  
Life Underwriting" by  
Abner Thorp, Jr.  
The Diamond Life Bulletins  
420 E. 4th St., Cincinnati, O.



## Recruiting Agents Features New York Managers' Meeting

NEW YORK, Dec. 8.—The first managers' conference of the New York City Life Managers Association here last week proved so successful that it is considered likely that the next such conference will be an all-day session. The meeting was held in connection with the association's quarterly dinner.

The guest speaker, Paul Clark, Boston general agent John Hancock Mutual Life, described the methods used in building up his agency. Mr. Clark is a former president of the National Association of Life Underwriters and his agency is widely known among life insurance men.

### "Passion to Succeed" Is First Prerequisite

In picking new men, Mr. Clark said that a "passion to succeed" is the first prerequisite in the recruit. As to sources of obtaining new agents, he agreed with other speakers that newspaper advertising is unsatisfactory. He recommended, however, keeping in touch with various educational institutions and writing to local policyholders, particularly in those sections of the city where it is desirable to obtain more representation. He also stressed the advisability of having various racial and national groups represented in the agency in order to insure closer contact with prospects in these categories.

Good results have been obtained in getting new men through agents already under contract by paying the latter \$25 when the man they bring in is licensed and another \$25 when he writes his first \$2,500 in premiums. An examination is necessary in Massachusetts to obtain a license.

Some higher education is advisable in a new man, Mr. Clark said, although graduation from college is not at all essential and post-graduate schooling is likely to be an actual handicap, in his opinion, as it results in a psychology that is hard to overcome. The agency does not accept men younger than 25 years old and the ages between 28 and 38 are considered the best. Local con-

nections are essential to success unless the agent is prepared to face an unusually hard struggle.

A prospective agent under consideration by the Clark agency must be approved by three of the four men who interview him. Mr. Clark considers that the manner in which the business is put up to the new man in these interviews is more important than any other one thing.

Reversing the "lily-painting" tactics of the past, the interviewers no longer attempt to paint a rosy picture of the business. Men who might shrink from the difficulties of a life underwriter's career are not wanted, and it is considered wiser to eliminate them as early as possible.

### Junior Agent Gets Smaller Commission

Once past the interviewers, the new man is given a training course covering the essentials of what life insurance is, what it does, and how to sell it. Mr. Clark called attention to the fact that a good instructor in this course need not himself be a good salesman, and in fact usually is not a good salesman. He attributed this to the prohibitive amount that would be necessary to pay an instructor if he were a successful personal producer.

Until an agent writes \$5,000 in premiums he is a junior agent and on most contracts gets 5 percent less commission than the senior agents. It is explained to him that this deduction entitles him to all the help that anyone in the agency can give him on cases. The 5 percent goes to the supervisors, who help the men in closing. At certain times each junior agent goes out with a supervisor for the entire day.

Selling with the aid of graphs is very helpful to new men, Mr. Clark has found. He has found it better than proposals or learned sales talks in stimulating their sales.

Agency breakfasts once a week, at which attendance is voluntary, have been found valuable, attendance at the

Clark agency averaging about 70 percent. The cost is shared 50-50 by the agent and the agency. Breakfast conferences with individual agents have shown good results also, as they do not cut into the working day as would luncheon engagements.

### Surety Bond Form of Financing Is Successful

In the financing of agents, Mr. Clark said he had had excellent results with the surety bond form. He finds that agents do not lose caste by getting such a bond signed by their friends and in many cases the signers have helped the agent get business so as to reduce the surety as fast as possible. The agency has lost practically nothing on the surety forms, he said, and has now only about \$16,000 outstanding. Assignment of commissions he also considers a safe method of making advances and the agency will advance one full year's renewal to an old agent.

Men put on in the present depression will be the outstanding life underwriters in the next few years, Mr. Clark declared, and the present period of hard times will result in a better grade of agents in the future.

### Managers Must Be "Recruit-Conscious"

J. Elliott Hall, general agent Penn Mutual Life, gave some enlightening facts and figures on the recruiting of new men in the last three years. Managers and general agents must be just as "recruit-conscious" as agents are "prospect-conscious," he said, stating his belief that the most successful agents are those brought into the business by the head of the agency personally. Experience is poor on agents obtained through advertising in daily papers and on agents previously connected with another agency, he said.

Careful selection, Mr. Hall said, is more important than training. For this reason the new agent must answer a number of questions designed to throw light on his probable behavior should he be taken into the agency. If his record in previous jobs is one of steady advancement in the same line, he is likely to prove successful, even though he has changed jobs a number of times. If he has done a good deal of switching from one line to another, he is apt to prove a failure and is better elimi-

## General Agencies Report Gains in Fall Business

October was the largest month in paid-for business volume the Guy A. Reem Detroit general agency of the State Mutual Life has had for 25 years. It represented an increase of 335 percent over October, 1931.

The Kansas state branch of the Business Men's Assurance under Bert A. Hedges, manager, reported 103 percent of its 1932 quota at the end of November. The quota assigned represented an increase of more than 50 percent over the full year of 1931 and about 60 percent over the first 11 months of 1931.

nated from consideration, even though this procedure may result in the loss of a good man once in a while.

Questions on the applicant's career ambitions elicit significant answers. It has been Mr. Hall's experience that a man with an ambition to be a writer, artist or architect usually is doomed to failure in the life insurance business. The same applies to the man who prefers executive or indoor work to outside work. If the prospective agent has an ambition for an ultimate income of \$5,000 to \$6,000 a year he is likely to prove a failure, but if he hopes to make \$20,000 to \$25,000 a year eventually it is a good sign. However, if he says he must make two, three or four times what he can get along on for the first year or so, the chances are against his making good, while if he feels satisfied to make just enough to get by on in that time he will probably succeed.

### Costly to Hand Out Agents' Contracts Freely

W. J. Dunsmore, manager Equitable Life of New York, called attention to the costliness of handing out agents' contracts freely, and particularly the temptation to take on poor material because of having invested money in newspaper advertising. Mr. Dunsmore gave figures from his own agency showing the turnover since 1925. The ideal type of agent, he finds, is one who is a college graduate, has enough money to carry him for six months, is married

## THE HOME LIFE INSURANCE COMPANY OF AMERICA

### PROTECTS THE ENTIRE FAMILY

Home Life Agents are equipped to serve every need for protection. Modern policies are issued on both Industrial and Ordinary plans from birth to Age 65 next birthday. The Home Life sales-kit means a whole family of potential policyholders back of every door-bell.

There Is a Home Life Policy for Every Purse and Purpose

OVER ONE HUNDRED MILLIONS IN FORCE  
INDEPENDENCE SQUARE PHILADELPHIA, PA.  
(INTERESTED IN REPLIES FROM PENNSYLVANIA AND DELAWARE)

## General agencies await YOU

### Are YOU ready to enlarge your world?

We have excellent General agency openings in Nebraska, Minnesota and Iowa.

Splendid contracts—strong support—Council Bluffs, Iowa; Davenport, Iowa; Rochester, Minn.; Lincoln, Nebraska

WRITE US BEFORE MAKING A CHANGE

## CEDAR RAPIDS LIFE INSURANCE COMPANY CEDAR RAPIDS, IOWA

Col. C. B. Robbins,  
President

Jay G. Sigmund, Vice-President and  
Agency Director

C. B. Svoboda,  
Secretary



or engaged, is ambitious, has previously been engaged in banking or a similar occupation, and has not previously earned more than \$4,000 a year. Of those under contract in the Dunsmore agency, 70 percent are college men and all but two are college graduates.

The best ages for taking on new men are between 22 and 30, he said, adding that the further away a man is from 30, the further he is from the ideal age. The best men come from jobs that were taking them nowhere, he finds, while those who come to the agency because of having no other job have a greatly reduced chance of success. Recruits should be picked, he said, with an eye to selecting the ones that will probably become C. L. U.'s.

#### Asks Policyholders to Recommend Prospective Agents

C. D. Connell, general agent Provident Mutual Life, said he had obtained good results through writing policyholders for names of men they thought would make good life agents. Agents are put through a two weeks' school and sent out into the field to prospect in their third day of training. The school eliminates automatically the less desirable material, as the men with the least aptitude have numerous chances to drop out. The agency is not obligated to take these men, it is explained to them in the beginning, and neither are the men under obligation to stay in the life insurance business or with the Connell agency.

J. C. McNamara, general agent Guardian Life of New York, talked on keeping up morale. Agents frequently become discouraged with the amount of business they do, when as a matter of fact they may be doing better than they should expect in the light of their efforts. The McNamara agency has found that it takes 64 calls—whether the prospect is in or out—in order to get one application. If agents can be kept convinced that this ratio approaches moral certainty, they can be encouraged to keep on plugging, secure in the knowledge that each turn-down brings them closer to the prospect who will sign up. Mr. McNamara accomplishes this end through personal talks with agents, particularly at breakfast conferences. He supplements this practice by writing letters, to save his time and that of the men.

#### McNamara Warns Against Contest Stimulation

As to mass morale, he said this can only be "short-haul" morale. He warned against surfeiting men with contests, saying that this will drive them out of the business. He recommended, however, an annual drive such as the McNamara agency's annual one-day drive last week, as a morale-builder which comes to have a traditional value.

H. Arthur Schmidt, partner in the Allen & Schmidt agency of the New England Mutual Life, spoke on the financing of agents. He contrasted

present restrictions on financing with former times and said the Allen & Schmidt agency had taken on no one in the last two years who was unable to finance himself for at least three months. He stressed the value of sales congresses and trade journals to agents as supplements to their training in the school of hard knocks. He also emphasized the value of agents keeping complete records. On the training of new men, he said the preliminary schooling should be as short as possible but that agents should keep on studying after getting out into the field.

The meeting was conducted by E. W. Allen of Allen & Schmidt, president of the association. The next meeting of the association will be in January and will be a business session. The next manager's conference will probably be in connection with the next following meeting, in March.

#### Taxation of Annuities to Be an Important Issue

(CONTINUED FROM PAGE 8)

ments of the policy, or of a statute, regulating the method of changing the beneficiary had not all been complied with.

The question whether the insured can be required to submit to medical or surgical treatment to minimize his claims was discussed in a paper delivered by Allen May, vice-president and general attorney for the Missouri State Life.

Mr. May started by quoting a decision of the supreme court of appeals of West Virginia to the effect that in order to minimize disability, a person must submit to treatment to which a reasonably prudent man would ordinarily submit. The insured's failure to follow advice of competent physicians, according to the West Virginia decision, precludes him as a matter of law from recovering of the insurer for total disability subsequent to a time when it could reasonably have been expected that his condition would have been substantially improved had he acted promptly on the medical advice, which he received. The case was *Cody vs. John Hancock*, 163 S. E. 4, decided this year.

#### Up to Juries

Mr. May examined the decision to determine what difficulties are likely to be encountered in attempting to establish this principle in other jurisdictions.

Towards the end of his paper, Mr. May said he is forced to concede that in most cases, as the law now stands, the most the companies are entitled to demand in a disputed case is that a jury should be permitted to say to what extent the duty to care for himself rests upon a claimant and how far the insurer is entitled to rely on his performance of that duty.

A more limited class of cases arises particularly under accident policies where specific indemnities are provided for the entire and irrevocable loss or loss of use of certain members. Mr. May said he has not found a case where any court of last resort has said as a matter of law either that an insured must or that he need not undergo an operation to effect, or in a reasonable effort to effect, recovery from an existing loss for which indemnity is provided.

#### Replacement Solution Is Dominant Life Problem

(CONTINUED FROM PAGE 4)

a view to better persistency, Mr. Myrick said he was against it.

"It seems to me that we have pretty well stabilized our acquisition costs," he said. "Should we reduce the first year's commission it would mean that our companies, general agents and managers would have to do more financing, and that the question of replacement, unless it is handled in a more definite manner than it has been in the past, would go on just the same."

"I am sure that the Underwriters' Association, which has taken such an active part in Section 97, would dislike to see it disturbed in any fundamental way, and I for one, hope it will not soon be attempted again."

Mr. Fraser also referred to the question of first-year commissions and said he believed that any such changes were very far in the future.

The dinner meeting was preceded by an afternoon session on the problems of management. It is reported in detail elsewhere in this issue.

E. W. Allen of Allen & Schmidt, general agents New England Mutual Life, president of the Life Managers Association, was toastmaster at the dinner.

#### Interlocking Committee's Preliminary Report Made

(CONTINUED FROM PAGE 4)

filiated companies rather than for the best interests of such insurance companies. This, your committee unreservedly condemns and recommends that this convention endorse such position. Your committee is not at this time able to present a definite program either of legislation or supervisory action but requests further time to make a more detailed report to his convention at its June meeting."

#### Leading Presidents' Views on Needs of the Railroads

(CONTINUED FROM PAGE 5)

today and the railroads are being taxed to maintain the highways which the trucks use without any recompense to the public. It seems to be a most inconsistent position to force railroads to pay taxes for the benefit of their competitors.

#### Should Equalize Competition

The railroads, according to this executive, feel that competition should be equalized, and all common carriers should be placed as near as possible on a somewhat similar basis. This executive in speaking further said that there should be a proper consolidation of railway lines. Then the existing transportation systems should be studied when there is an application for other forms of transportation to compete with those in existence. That is, there should not be allowed to enter the field an overflux of transportation facilities, which will result in the breakdown of all.

In the next place, there should be such regulation that would tend to bring about the greatest possible economy in transportation and the elimination of ruinous competitive activity. There should be the avoidance of saddling the expense of new transportation enterprises on the people. These transportation companies competing with the railroads have everything their own way and the people are paying the freight. There are too many transportation enterprises now.

#### Waterway Transportation

There should not be unnecessary waterways created for transportation purposes. Take for instance, the St. Lawrence River waterway project. It will call for the expenditure of millions

and millions of money, which must be paid for by the public. This waterway will be closed by ice for five months of the year. The taxpayers have to pay the deficit. People should recognize just what it will mean for the United States to enter into the St. Lawrence River project because the government is going to be called upon to pay out vast sums. There is no canal that is paying for itself. The deficit is met by public taxation.

This executive stresses the fact that in the long run full justice should be done to the people in these transportation projects. Transportation should be conducted along economic lines and the people should not be called upon to make up deficits and to pay for right of way. The transportation companies should make their own way and they should be placed on a basis where competition is fair and where economy will result.

#### Next Depression Is Far In Future

(CONTINUED FROM PAGE 5)

day making contracts which may run for fifty years or more. Since the only guide to the future is what has happened in the past, it follows that we look into the far distant past as a guide to the far distant future, and when we look into the past, we find a depression of severity and character comparable to this one occurring in the 1820's, and another occurring in the 1870's.

#### Past a Valuable Indication

"Similarly, as we look into the past, we find that the influenza epidemic of 1918-1919 is not the first major epidemic; there were others. Thus, it is no more than what could have been expected of the managements of the life insurance companies that the necessary safeguards and protections were set up to withstand such crises, for experience of the past furnishes every reason to believe that other such crises will come and will have to be met during the existence of the policies we are issuing today."

"Thus it happens that, while the executives of life insurance companies are not able to predict when such crises will come upon us, the life insurance companies are, however, prepared to meet such crises whenever they may come."

#### Hanson Seeks Restrictions

Superintendent Hanson of Illinois, apparently inspired by the Illinois Life case, has announced he will request the next session of the Illinois legislature to consider a bill to give added protection to policyholders. "The present law is weak," Mr. Hanson declared, "in that it allows directors and officers of the companies to invest in properties, concerns or stocks in which they have a direct interest. This should be corrected."

#### Sales to Women Increase

President Howard Cox of the Union Central Life reports that the sales of life insurance to women by his company are increasing and he predicts that some day women will buy life insurance on the same terms as men. From 1920 to 1928, the Union Central sold an average of 3,000 policies a year to women, but in 1931, 4,200 such policies were sold. A further gain is being shown this year, he said. Gains are reported also in annuities and income extension contracts. Last year 1,500 out of the Union Central's contracts sold to women went to housewives, he said.

Women, Mr. Cox observed, are becoming more successful professionally and in business and have a greater capacity to buy and furthermore, as beneficiaries of a large part of the insurance, they are acquainted with its virtues.

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